

GEF-8 REQUEST FOR MSP (1-STEP) APPROVAL

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General Project Information

Project Information

Project Title:

Strengthening national capacity for implementing the enhanced transparency framework in Palau

Region:

Asia

GEF Project ID:

11911

Country(ies):

Palau

Type of Project:

MSP

GEF Agency(ies):

UNEP

GEF Agency Project ID:

NA

Project Executing Entity(s):

Office of Climate Change, Office of the President

Global Green Growth Institute

Project Executing Type:

Government

Others

GEF Focal Area (s):

Climate Change

Submission Date:

3/10/2025

Type of Trust Fund:

GET

Project Duration (Months):

48

GEF Project Grant: (a)

1,336,247.00

GEF Project Non-Grant: (b)

0.00

Agency Fee(s) Grant: (c)

126,943.00

Agency Fee(s) Non-Grant (d)

0.00

Total GEF Financing: (a+b+c+d)

1,463,190.00

Total Co-financing

215,873.00

PPG Amount: (e)

40,000.00

PPG Agency Fee(s): (f)

3,800.00

PPG total amount: (e+f)

43,800.00

Total GEF Resources: (a+b+c+d+e+f)

1,506,990.00

Project Tags

CBIT: Yes NGI: No SGP: No Innovation: No

Project Sector (CCM Only):

Mixed & Others

Taxonomy:

Influencing models, Transform policy and regulatory environments, Strengthen institutional capacity and decision-making, Convene multi-stakeholder alliances, Stakeholders, Awareness Raising, Education, Communications, Community Based Organization, Civil Society, Non-Governmental Organization, Academia, Climate Change, Focal Areas, Private Sector, SMEs, Individuals/Entrepreneurs, Large corporations, Beneficiaries, Local Communities, Type of Engagement, Information Dissemination, Partnership, Consultation, Participation, Gender Equality, Gender Mainstreaming, Capacity Development, Gender results areas, Women groups, Sex-disaggregated indicators, United Nations Framework Convention on Climate Change, Capacity Building Initiative for Transparency, Climate Change Mitigation, Knowledge Generation, Capacity, Knowledge and Research, Knowledge Exchange

Rio Markers

Climate Change Mitigation	Climate Change Adaptation	Biodiversity	Land Degradation
Principal Objective 2	Significant Objective 1	No Contribution 0	No Contribution 0

Project Summary

Provide a brief summary description of the project, including: (i) what is the problem and issues to be addressed? (ii) what are the project objectives, and if the project is intended to be transformative, how will this be achieved? (iii), how will this be achieved (approach to deliver on objectives), and (iv) what are the GEBs and/or adaptation benefits, and other key expected results. The purpose of the summary is to provide a short, coherent summary for readers. The explanation and justification of the project should be in section B “project description”. (max. 250 words, approximately 1/2 page)

Climate change and its adverse effects are an existential threat to Palau. Palau is committed to achieving the overall objective of the United Nations Framework Convention on Climate Change (UNFCCC) and the Paris Agreement. Palau has committed itself to developing, adopting, and implementing policies and measures to mitigate and adapt to the adverse effects of climate change.

The objective of this project is to enhance the country’s ability to meet the Enhanced Transparency Framework (ETF) requirements under the Paris Agreement by supporting Palau in developing national capacities and functionality. The project focuses on addressing key barriers as identified in Palau’s national communications such as inadequate institutional arrangements, lack of robust data management systems, and insufficient capacity and awareness among stakeholders. This will be addressed by removing significant gaps in institutional capacity, data management, and stakeholder coordination and capacity for transparent and accurate climate reporting.

The project is organized into three components. Component 1 focuses on establishing and formalizing institutional arrangements for coordinating and monitoring NDC implementation and GHG inventory preparation. This will be done by defining a coordination framework, developing data sharing agreements and enhancing awareness and capacity. Component 2 will enhance greenhouse gas (GHG) inventory monitoring, reporting and verification (MRV) through the development of data flows, expertise, systems, templates and tools. An IT-based database management system will be developed to streamline data management processes. This component will also develop and implement data collection protocols including Quality Assurance and Quality Control (QA/QC) guidelines and procedures for all IPCC sectors. Component 3 focuses on enhancing MRV for National Determined Contribution (NDC) implementation and climate support tracking through improved access to data, tools, systems and templates for tracking progress and climate support. An IT-based database management system will be implemented to strengthen data collection and track climate actions and support. Training materials for data collection, including QA/QC procedures, will be developed, and capacity-building workshops will be organized for staff and line agencies.

The CBIT project is designed to generate global environmental and adaptation benefits which would not have been achieved without GEF support. The project will directly benefit 70 individuals, among them 50% being women. The beneficiaries will receive training and participate in capacity-building activities that are designed to enhance their skills and knowledge.

The CBIT project has been designed to achieve expected benefits through three GEF Strategy 2020 influence models: (i) Transforming policy and regulatory environments; (ii) strengthening institutional capacity and decision-making processes; and (iii) convening multi-stakeholder alliances.

The project will consider gender aspects to ensure women's perspectives are integrated into all the deliverables throughout the project cycle, particularly in decision-making processes, including capacity building exercises to support the achievement of outcomes.

Project Description Overview

Project Objective

To strengthen institutional and human capacities to enable Palau to comply with the requirements of the transparency framework under the Paris Agreement on Climate Change.

Project Components

Component 1. Strengthening Gender-responsive Institutional Arrangements for Enhanced Transparency Framework

Component Type	Trust Fund
Technical Assistance	GET
GEF Project Financing (\$)	Co-financing (\$)
354,313.00	75,000.00

Outcome:

1. Gender-responsive institutional arrangements for the Enhanced Transparency Framework (ETF) are established to enable regular transparent reporting on NDC implementation and National GHG Inventory.

Output:

- 1.1. Gender-responsive institutional mechanisms for coordinating and monitoring NDC implementation and preparation of GHG Inventory designed, and formal process of adoption initiated.
- 1.2. Gender-responsive capacity building initiatives focusing on GHG inventory, MRV and NDC tracking are formalized and strengthened.

1.3. National stakeholders' awareness on regional best practices on ETF increased through regional peer-to-peer exchange and knowledge-sharing activities.

Component 2. Establishing Palau's Greenhouse Gases (GHG) Inventory Systems

Component Type	Trust Fund
Technical Assistance	GET
GEF Project Financing (\$)	Co-financing (\$)
506,490.00	67,000.00

Outcome:

2. GHG Inventory preparation system is developed to enable the coordinating entity to efficiently co-ordinate preparation of transparent, consistent, comparable, complete, and accurate National GHG inventories.

Output:

- 2.1. Staff of relevant agencies have access to methodologies, tools, and capacities for GHG data collection and reporting.
- 2.2. Staff of relevant agencies have access to methodologies and capacities to conduct QA/QC for GHG Inventory system.
- 2.3. National ministries and stakeholders have access to an integrated IT-based national GHG emissions inventory system.

Component 3. Strengthening MRV framework for monitoring, tracking and reporting on climate actions and support

Component Type	Trust Fund
Technical Assistance	GET
GEF Project Financing (\$)	Co-financing (\$)
296,643.00	60,000.00

Outcome:

3. MRV framework is strengthened to enable Palau to effectively monitor and report on climate actions and support.

Output:

- 3.1. An IT-based system for tracking NDC action progress is developed.
- 3.2. Data collection tools and templates are developed for tracking progress of NDC actions implementation.
- 3.3. National ministries and agencies have access to tools and capacity to collect data and report on climate support and support received and required.

M&E

Component Type	Trust Fund
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Technical Assistance	GET
GEF Project Financing (\$)	Co-financing (\$)
57,490.00	6,873.00

Outcome:

Project monitoring and evaluation products are delivered.

Output:

4.1 Project M&E is conducted regularly including final evaluations and incorporates gender-responsive indicators and reporting.

Component Balances

Project Components	GEF Project Financing (\$)	Co-financing (\$)
Component 1. Strengthening Gender-responsive Institutional Arrangements for Enhanced Transparency Framework	354,313.00	75,000.00
Component 2. Establishing Palau's Greenhouse Gases (GHG) Inventory Systems	506,490.00	67,000.00
Component 3. Strengthening MRV framework for monitoring, tracking and reporting on climate actions and support	296,643.00	60,000.00
M&E	57,490.00	6,873.00
Subtotal	1,214,936.00	208,873.00
Project Management Cost	121,311.00	7,000.00
Total Project Cost (\$)	1,336,247.00	215,873.00

Please provide justification

PROJECT OUTLINE

A. PROJECT RATIONALE

Briefly describe the current situation: the global environmental problems and/or climate vulnerabilities that the project will address, the key elements of the system, and underlying drivers of environmental change in the project context, such as

population growth, economic development, climate change, sociocultural and political factors, including conflicts, or technological changes. Describe the objective of the project, and the justification for it. (Approximately 3-5 pages) see guidance here

A1. Global environmental problem

1. Overview

Adopted in 2015, the Paris Agreement, Article 13, established an Enhanced Transparency Framework (ETF) which increases the climate change transparency ambition and reporting requirements for all Parties to the agreement. At the 24th Conference of Parties, held in Katowice in 2018, countries agreed upon modalities, procedures and guidelines (MPGs) for the ETF, which will come into force in 2024. In accordance with the Paris Agreement and the MPGs, all Parties to the Paris Agreement are required to prepare and submit biennial transparency reports (BTR), which need to include:

An updated national inventory of greenhouse gas (GHG) emissions by sources and removals by sinks;

Information on progress towards achieving their nationally determined contribution (NDC);

Information related to climate change impacts and adaptation;

Information on financial, technology transfer and capacity building climate finance; and,

Information on support needed and received for climate actions.

Also, in accordance with the Paris Agreement's Article 7, each Party should, as appropriate, submit and periodically update an adaptation communication, as a component of or in conjunction with other communications or documents.

The MPGs aim to facilitate improved reporting and transparency over time, while providing flexibility to those developing country Parties that need it in light of their capabilities. In their reports, countries need to clearly clarify capacity constraints and estimate time frames for improvements needed. Furthermore, they should provide as part of the BTR, to the extent possible, information on areas of improvement in relation to the country's reporting.

Palau ratified the Paris Agreement in 2016 and is committed to meeting the requirements of the ETF, despite the flexibility provided for SIDS. Therefore, there is a need to establish the necessary country arrangements to:

- establish a permanent institutional arrangement for GHG data compilation and tracking of NDC commitments;
- develop a centralized climate data management system for GHG data, tracking mitigation actions, adaptation actions and support needed and received; and
- develop the necessary training tools, processes, and expertise in the country to meet the requirements of the ETF and establish the necessary arrangements to utilize climate data stemming from the system in the country's decision-making processes and long-term planning in line with the Paris Agreement.
-

National context

Palau has submitted two National Communications: in 2003 and 2013. Currently, Palau is working on its third National Communication (NC3). This upcoming report will build on past findings and recommendations, serving as updates on Palau's climate change impacts and responses.

Palau faces significant challenges in implementing effective monitoring, reporting, and verification (MRV) for GHG emissions due to limited resources and capacity. Data collection and reporting are spread across various ministries and departments, with no single agency responsible for overseeing these activities. The existing GHG emission data, recorded in the 2013 Second National Communication (NC2) using 2005 data, is outdated and does not meet current needs. Additionally, there is no established data-sharing policy or legislative framework to facilitate effective data management, and there are significant gaps in the collection of detailed GHG inventory data. Capacity and expertise for data collection, compilation, progress tracking, quality assurance and quality control (QA/QC) and reporting remain low.

Due to Palau's negligible emissions and the reporting flexibility provided by the UNFCCC for Small Island Developing States (SIDS), establishing comprehensive GHG accounting frameworks has not been a high priority. Instead, efforts have focused on adaptation programs to address Palau's high vulnerability to climate change. Consequently, there has been a greater demand for expertise in vulnerability assessments and disaster risk management. Institutions and policies have been structured to support these areas, often with less emphasis on climate action and GHG inventory.

To effectively plan, implement, and monitor GHG emissions and climate actions, it is important to strengthen Palau's institutional, human, and technical capacities. Without the implementation of the Capacity Building Initiative for Transparency (CBIT) project, Palau will likely continue to struggle with meeting the Enhanced Transparency Framework (ETF) requirements, resulting in inconsistent and unreliable data and hindering effective management of GHG emissions and climate impacts.

A2. Baseline – Palau's current and future existing efforts

1) National transparency framework

i. Governmental framework for climate action

Palau submitted its Intended Nationally Determined Contributions (INDC) to the UNFCCC Secretariat on the 28th of November 2015. No further revisions were undertaken, and the same document was endorsed and submitted as the First NDC on 22nd April 2016.

Palau's NDC primarily focuses on reducing greenhouse gas emissions in the energy (electricity) sector with additional reductions coming from the waste and transport sectors. Indicative targets in the energy sector are:

To reduce energy sector emissions by 22% below 2005 levels by 2025

To achieve emission reduction target, Palau aims to set a target of 45% renewable energy by 2025

Palau aims for a 35% improvement in energy efficiency by 2025

- Palau faces significant challenges in implementing its NDC due to its limited resources. Implementation of many of the policies and measures needed to achieve the country's emissions

reduction target will depend on the availability of partnership finance, technology support and capacity development.

In 2022, Palau has requested technical support to review and update Palau's INDC 2015 to the Regional Pacific NDC Hub. This request was supported by the Pacific Community (SPC) through the NDC Hub's "Review and update of Palau's Intended Nationally Determined Contributions (INDC)" project. The updated NDC aims to enhance Palau's NDC and align them with national policies and plans. While the project has been completed, the updated NDC has not been submitted to the UNFCCC yet.

Palau submitted its NC2 in 2013. The NC2 includes Palau's GHG emission information from 1994-2005. Palau is currently preparing its NC3 with support from the Enabling Activity (EA) project (GEF ID 4498), which was GEF CEO-endorsed on March 14, 2012. Palau has not yet submitted its NC3. The NC3 will provide an updated GHG inventory for the period 2006-2022, mitigation analysis, and vulnerability and adaptation assessment in line with UNFCCC reporting requirements.

The Palau Climate Change Policy (PCCP), titled "Palau Climate Change Policy: For Climate and Disaster Resilient Low Emissions Development" serves as the primary tool for guiding the country's long-term planning for low-emission and climate-resilient development. The PCCP sets forth a comprehensive framework that outlines Palau's strategic priorities and actions to address climate change impacts. It aims to increase adaptation and resilience, improve disaster risk management, and mitigate climate change through low carbon development pathways. Palau is currently finalizing the revision of the PCCP.

The PCCP is instrumental in shaping other relevant strategies and framework, including the Koror-Babeldaob Resilient Urban Development Strategy and Action Plan and the National Disaster Risk Management Framework (amended 2016). These tools and policies are designed to ensure that Palau's development is aligned with its climate adaptation and mitigation goals, particularly in the face of escalating climate change challenges.

Furthermore, Palau's National Environment Management Strategy (NEMS) 2022-2030 provides a broad framework that integrates climate change considerations across multiple sectors, including land management, biodiversity conservation and freshwater management. This strategy underscores the need for sustainable environmental management practices that support both national development and climate resilience efforts.

The Renewable Energy Roadmap: 2022-2050 sets out the climate action targets and options for the energy sector with the goal of supporting the achievement of 100% renewable energy in the power sector by 2050 as well as decarbonizing Palau's transport sector. This roadmap was built on the earlier version for the country in 2016-2017, which was used to inform the development of the country's NDC.

Palau developed the Readiness Proposal to seek support from the Green Climate Fund (GCF) for its first National Adaptation Plan (NAP) in 2020. The NAP is expected to serve as a detailed implementation plan for the adaptation priorities outlined in the updated PCCP. This project "Support for Formulation of Palau's First National Adaptation Plan" was approved by GCF in 2022, and the implementation is currently underway.

ii. Institutional arrangements and national platform

Palau has several agencies that work together on climate change issues. The Office of Climate Change (OCC), under the Office of the President, coordinates climate change efforts, implements the Palau Climate Change Policy (PCCP), and represents Palau internationally on climate matters. OCC is mandated to lead the

preparation of UNFCCC reporting, collecting and compiling climate data from relevant line ministries and institutions. However, due to the lack of clear mandates for GHG inventory preparation and data collection procedure among national stakeholders, this process requires additional efforts and time.

The National Environmental Protection Council (NEPC), established in 2002, plays a role in coordinating environmental and sustainable development programs across national government agencies. Comprising members from relevant ministries and agencies such as Palau Energy and Water Administration (PEWA), NEPC is mandated to ensure a unified approach to environmental management. The NEPC coordinator currently serves as the GEF Operational Focal Point.

The Office of Project Management (OPM) under the Ministry of Finance is mandated to identify and design climate change projects through collaboration among government and non-government stakeholders. OPM is also responsible for monitoring the progress of climate change projects and reporting on their outcomes.

The Office of the Palau Automated Land and Resources Information System (PALARIS) develops and maintains geographic information, technology, and data. Serving as a national focal point, PALARIS leads GIS database management and surveys and supports the development of the State of the Environment Report. PALARIS serves as a secretariat to NEPC.

The Palau Energy and Water Administration (PEWA) under the Ministry of Finance acts as a focal point for NDC implementation and is currently leading the updates of its NDC with support from the Regional Pacific NDC Hub through the Pacific Community (SPC).

The National Climate Change Coordination Committee (NCCCC) was established to develop Palau's first Climate Change Policy. It includes representatives from various government ministries and is organized into sector-specific working groups known as the National Climate Change Working Groups (NCCWG). These groups conducted vulnerability and risk assessments and identified priority measures for the Palau Climate Change Policy (PCCP).

The government staff who participated in the preparation of National Communications were nominated from the unit/department whose activities seem most relevant to climate report preparation. Therefore, these responsibilities are assigned on an ad-hoc basis and are seen as additional responsibilities that are not part of their primary mandate. Moreover, there are no centrally defined processes for NC, NDC and NGHGI preparation, no clear-cut roles and responsibility charts for line ministries or other departments (or private sector actors), for directives defining the protocols for regularly collecting, compiling, reviewing, reporting or maintaining data. There are also no government directives (or official legal instrument) defining such a mandate.

The NAP, currently being developed, is expected to strengthen institutional coordination for NAP implementation as well as improve subnational institutional and human capacities for adaptation planning and implementation.

iii. National reporting to the United Nations Climate Change Convention

Palau's official reporting to the UNFCCC includes the First National Communication (NC1) in 2003 which provided a GHG inventory for 1994, along with a summary of mitigation and adaptation measures, vulnerability assessment, and a national implementation strategy. Greenhouse gases covered were carbon dioxide for energy, agriculture and land-use sectors, methane for waste, and nitrous oxide for agriculture and waste. Emissions from energy sector were not disaggregated into sub-sectors (such as energy industries, and

transport) due to insufficient data availability of fuel consumption by category, therefore IPCC Reference Approach was used. Insufficient data was identified as the major constraint in estimating actual GHG emissions for industrial processes, waste, agriculture and LUCF sectors as well. The emissions in industrial sectors were limited to four activities: soda ash use, asphalt, alcoholic beverages production, and baked foodstuffs production. Due to incomplete yearly data in the agriculture sector, extrapolation techniques were used to estimate figures for missing years.

The Second National Communication (NC2) was submitted 10 years later in 2013, updating the GHG inventory for 1994-2005 and including a vulnerability and adaptation assessment, mitigation measures, and identification of constraints, gaps, and needs. One of the major improvements in NC2 from the NC1 is in the energy sector. The energy sector in NC2 covered emissions from all the fuel consumption. However, like NC1, the inventory does not disaggregate emission by sub-sectoral category. Another improvement seen is in terms of data archiving; all the raw data that were used for preparing the inventory was archived in the Office of Environmental Response and Coordination (OERC)¹. In addition, all the relevant information such as methodology, activity data, emission factor, and assumptions were documented in the inventory to facilitate future inventory development.

The development of Palau's Third National Communication (NC3) is being supported by UNEP and led by the Office of Climate Change. The NC3 aims to provide a comprehensive overview of Palau's progress toward its adaptation and mitigation goals, particularly regarding its greenhouse gas (GHG) targets.

In 2015, Palau submitted its Intended Nationally Determined Contribution (NDC), outlining national circumstances, policies, and measures for achieving targets, as well as implementation strategies and market use. The same document, without any revision, was endorsed and submitted as the First NDC on 22 April 2016. The update of Palau's NDC is ongoing.

Palau has not yet submitted any Biennial Update Reports (BURs) or Biennial Transparency Report (BTR) to date.

A summary of reporting to the UNFCCC is presented in the following table.

Table 1. Official reporting to the UNFCCC

Year	Report	Comments
2003	First National Communication (NC1)	Palau's NC1 reported national GHG inventory reported for 1994. Energy sector was the highest emitting sector, while Land-Use Change and Forestry (LUCF) sequestered more than the total emissions in Palau. In addition, GHG emissions trends from energy, industrial processes and agriculture sector were reported for the period 1994-2000. The methodology employed Revised 1996 IPCC Guidelines for National Greenhouse Gas Inventories. Additionally, NC1 includes information on mitigation and vulnerability assessment.
2013	Second National Communication (NC2)	NC2 provides GHG inventory for 1994 – 2005 for energy, Industrial processes, agriculture, LUCF and waste. The Revised 1996 IPCC Guidelines and the IPCC Good Practice Guidance and Uncertainty Management in National Greenhouse Gas Inventories were employed to estimate and report GHG emissions. The CO ₂ emissions from fuel combustion by fuel type are provided. In Industrial processes, CO ₂ emissions from lime production are in addition to the coverage in the NC2. Emissions from burning of Savannas and agricultural residues were not reported. In LUCF, the emissions from uptake from biomass stock were provided. In addition, the waste sector covered methane emissions from solid waste disposal, domestic

		wastewater and human sewage; and carbon dioxide emissions from waste incineration. Lack of human, technical and financial resources were identified as the major challenges in developing national GHG inventory in Palau.
2015	Intended Nationally Determined Contribution (INDC)	Information on national circumstances, current and future policies and measures to achieve targets, means of implementation and use of markets. Palau's INDC sets energy efficiency improvement target of 35% by 2025 in the INDC, however, it is not clear how the target is measured or what indicators will be used to track the efficiency improvement.
2016	First Nationally Determined Contribution	INDC document without any revision was submitted as the First Nationally Determined Contribution.
Ongoing	Updated NDC	The updated NDC will enhance its INDC targets by reviewing its progress in implementing INDC 2015 targets while ensuring it aligns with other national plans and policies.
Ongoing	Third National Communication (NC3)	The preparation of NC3 is underway. The NC3 will include GHG inventory for the period 2005-2022. The NC3 will include chapters on Palau's national circumstances, GHG inventory, mitigation, and vulnerability and adaptation. Additionally, it will include chapters on Research, education and capacity building, and constraints, gaps and recommendations.
Ongoing	NAP	The NAP aims to strengthen adaptation planning by improving governance and institutional coordination, enhancing evidence-based decision-making, catalyzing private sector engagement, and increasing access to adaptation finance. The NAP includes institutional arrangement at subnational level. NAP will develop M&E framework that will include specific, measurable, attainable, relevant, and time bound (SMART) indicators and targets to measure the progress on adaptation actions.

2) Progress on the four key areas of the enhanced transparency framework

i. National greenhouse gas inventory

Palau has officially submitted two sets of GHG inventories to the UNFCCC as part of their NCs, with the latest inventory covering the year 1994 – 2005. These inventories both faced challenges in terms of data availability and completeness with data gaps in the transport sector, land use cover, and waste disposal.

Under Palau's NC3, a national GHG inventory will be prepared covering 2005 to 2022, with funding from GEF and UNEP as the implementing agency.

Although the Office of Climate Change (OCC) is mandated to lead the preparation of UNFCCC reporting, there is currently no clearly defined institutional framework or data-sharing system for the preparation of the GHG inventory. Additionally, the production of GHG emissions data and report preparation is typically outsourced to international consultants or firms. Key challenges include the absence of a central data management system, a lack of sufficient tools, templates, and methodologies for data collection, analysis, and reporting, as well as limited capacity among national stakeholders for effective data collection and management.

The table below summarizes the progress made on the national GHG inventory.

Table 2. Greenhouse gas inventory milestones

Year	Instance	Published data
2003	NC1	Inventories for 1994 – 2000. Emissions from the energy, industrial processes and agriculture sector were reported for the period 1994-2000.
2013	NC2	Inventories for 1994 – 2005. Emissions for energy, Industrial processes, agriculture, LUCF and waste were reported for 1994-2005.
Ongoing	NC3	Inventories for 2005-2022, Emissions from energy, industrial processes, AFOLU and waste sectors will be reported

ii. Mapping of vulnerability and climate change impacts

Palau has included details on national vulnerability and climate change impacts in both NCs submitted to the UNFCCC. NC2 includes a vulnerability assessment covering five sectors: coastal communities (pilot study), coastal zones (mangrove, seagrass, and coral reefs), water resources (Ngerikiil watershed), human health (vector-borne diseases) and food security (taro). NC2 used methodology based on IPCC technical guidelines for assessing the impacts and adaptation. NC2 also outlines adaptation strategies and recommendations for responding to modeled impacts.

Palau Climate Change Policy (PCCP) outlines Palau’s strategic priorities for adapting to the impacts of climate change, and preparing for, and responding to, disasters. It addresses ten sectors (Agriculture and Fisheries, Health, Finance/Commerce/ Economic Development, Biodiversity/ Conservation/Natural Resources, Critical Infrastructure, Utilities, Society and Culture; Good Governance, Education, and Tourism) and advises on both government and non-government action.

Palau has implemented relevant initiatives and projects related to mapping and assessing climate change impacts and vulnerability as follows. Palau National Disaster Preparedness Baseline Assessment (NDPBA) presents a Risk and Vulnerability Assessment (RVA) which examines several components of risk including hazard exposures, vulnerability, and coping capacity. The assessment is based on the island RVA methodology², which uses a composite index approach to investigate the underlying conditions that lead to increased risk.

In 2016, the Government of Palau in support of the Building Safety and Resilience in the Pacific project (BSRP) and the Pacific Community (SPC) developed a Community Based Disaster Risk Reduction Toolkit. This toolkit guides stakeholders in assessing community hazards, vulnerabilities, and resources, and to minimize the risks of disaster.

A report “Climate Change in Palau: Indicators and Considerations for Key Sectors” developed by Pacific Islands Regional Climate Assessment (PIRCA) in 2020 presents the climate change indicators, impacts and adaptive capacity. Drawing upon existing published research findings and inputs through stakeholder consultations, this report assesses climate impacts and provides projections for climate indicators such as increase in surface air temperature and sea level rise.

The report on “Mapping of private sector resilience building initiative” was prepared in 2024 in collaboration with the Palau Chamber of Commerce (PCOC), the Office of Climate Change (OCC) and Green Climate Fund’s (GCF) National Designated Authority (NDA) team. The report underscores Palau's vulnerability to climate change, identifying key hazards like heavy rainfall, sea level rise, strong winds, and intensified storms, which impact private sectors. This report was prepared using multiple approaches including desktop research, stakeholder questionnaires, workshops, consultations with key partners, and individual interviews.

iii. Tracking mitigation and adaptation actions to achieve the nationally determined contribution

Palau does not have an MRV system to track mitigation and adaptation actions yet. The ongoing NAP project is expected to develop a semi-automated online system for tracking and monitoring the implementation of adaptation projects.

The NC2 provided a summary of mitigation and adaptation actions that were being implemented and those that were being planned. However, the actions lack technical detail or structured information, with many of the elements required by the ETF modalities, procedures and guidelines (MPGs) missing. This information was collected on an ad-hoc basis, without guidelines or tools to define the structure or level of detail required. There is also no link back to the NDC (the NC2 predates the NDC), or to tracking overall progress against mitigation or adaptation objectives. There was limited information on CO2 emission reduction estimates for mitigation projection, with the impact of only a few projects quantified. Likewise, for adaptation projects, the NC2 contained very limited information on indicators, impacts, or outcomes.

Palau Climate Change Policy (PCCP) for Climate & Disaster Resilient Low Emission Development outlined Palau's strategic priorities for adapting to the impacts of climate change, preparing for and responding to disasters, and contributing to global efforts to reduce greenhouse gas emissions. The OCC and NCCCC are responsible for annual monitoring and evaluation of the policy intervention. However, the annual reporting efforts have been limited due to a lack of technical expertise and capacity.

The Renewable Energy Roadmap: 2022-2050 sets out the climate action targets and plans for the energy sector in detail. The results from the roadmap will help to design a pathway to achieve NDC targets as well as enhance its NDC target. However, the implementation plan has not yet been developed along with the M&E framework to effectively track and monitor the progress of energy targets indicated in the Roadmap.

According to the "Support for Formulation of Palau's First National Adaptation Plan" project, a web-based information management architecture will be developed for tracking climate change adaptation planning and implementation. The project will develop a web-based tracking dashboard including an online project monitoring system. The project will develop training materials, and training provided to the relevant staff.

Current ongoing programs that relate to mitigation and adaptation tracking include the NC3, which will provide more details on current and planned adaptation and mitigation interventions. Furthermore, the ongoing project "Review and update of Palau's NDC" will stocktake ongoing mitigation action and enhance NDC targets for Palau.

Despite these efforts, there has been limited progress in establishing the necessary institutional arrangements, expertise, data flows, systems, tools, and communication structures for effective climate action tracking. As such, there is a clear need for support from the CBIT project.

iv. Reporting support needed and received

NC2 includes reporting on financial needs and estimates the cost of adaptation action across different sectors including coastal area, water resources, institutional context, health, and food security. NC2 also recommends the establishment of an institutional framework to ensure a well-coordinated mechanism to mainstream climate change efforts and estimates the cost of this institutional change to be \$500,000 USD annually.

The NC2 also estimated the cost of various mitigation actions, including achieving renewable energy targets and making grid improvements. It reported on bilateral support programs and emphasized the need to build capacity for measuring carbon sinks. Additionally, the NC2 identified technical capacity-building needs for the GHG inventory, particularly for data collection in the LUCF sector and the development of more accurate methodologies. The report also highlighted the need for support in conducting vulnerability and adaptation assessments, as well as mitigation assessments.

The PCCP underscores the importance of securing financial resources for climate action. It identifies the need for mobilizing both domestic and international funding to support the implementation of climate initiatives. This includes leveraging funding from global climate finance mechanisms, such as the GCF and the GEF, and exploring innovative financing options. However, there is no proper tracking mechanism or system to record the climate support received and needed in Palau.

“Strengthening institutional capacity to access climate financing in Palau” project funded by GCF includes technical assistance with climate finance project management procedures and guidelines, stakeholder engagement around modalities and opportunities to access climate finance, establishment of a private sector outreach mechanism in partnership with the Palau Chamber of Commerce and training on project identification and development.

3) Table of baseline projects

The table below provides an outline of the baseline projects in Palau for the CBIT project.

Table 3: Baseline Projects

Project	Donor	Implementing Partner	Description of support	Period	Status and Notes
Republic of Palau Third National Communication to the UNFCCC	GEF	UNEP/Office of Climate Change	This project is under GEF ID: 4498 - Umbrella Programme for National Communication to the UNFCCC, implemented through UNEP to support countries preparing their NC3 for the UNFCCC.	2012-ongoing	Ongoing- The project aims to update information provided regarding national circumstances, inventories of GHG, policies and measures undertaken to mitigate climate change, assessments of vulnerability to climate change, and steps taken to adapt. The CBIT project will leverage the institutional arrangement in the NC3 preparation by building upon the coordination mechanism established under this project.
Review and update of Palau's INDC 2015	SPC	PEWA/ OCC	This project focuses on updating the first NDC, and redrafting Palau's mitigation and adaptation targets.	2023-2024	Ongoing- This project will involve assessing the INDC 2015 targets of Palau and enhancing the NDC targets ensuring it aligns with national plans and policies.
Support for Formulation of	GCF	OCC	The NAP Readiness project aims to enhance climate change adaptation	2022-2024	Completed -

Palau's First National Adaptation Plan (NAP)			planning and implementation in Palau through a comprehensive, society-wide approach. It seeks to improve national and subnational adaptation efforts, serving as an implementation tool for the Palau Climate Change Policy. The project addresses barriers in four areas: adaptation governance, data management, private sector engagement, and access to finance.		Activities include formulating the NAP, building capacities, creating decision-support tools, and developing financeable project concepts. The CBIT project will utilize institutional mechanism and M&E framework developed in this project to ensure efficient knowledge utilization, resource mobilization, and stakeholder engagement throughout the project.
Enhancing Climate Information and Knowledge Services for resilience in 5 island countries of the Pacific Ocean	GCF	Ministry of Finance	This project aims to support increased climate-resilient sustainable development of 100,000 beneficiaries in the Pacific Island countries.	2020-2026	Ongoing - The project outcomes include increased generation and use of climate information services in decision making; strengthened adaptive capacity and reduced exposure to climate risks; and strengthened awareness of climate threats and risk-reduction processes. The CBIT project will learn from the regional knowledge management and training approaches used in this project.
Strengthening institutional capacity to access climate financing in Palau	GCF	Ministry of Finance	The project aims to strengthen the capacity of the National Designated Authority, Office of Climate Change, and Office of Project Management to plan, coordinate, and implement Palau's response to climate change.	2020-2022	Completed – The following project outcomes envisioned: Institutional capacity and coordination mechanisms in place to govern and coordinate climate action and finance; Country programming processes on climate action and support; Direct access to climate finance; Climate Finance strategies and project pipeline strengthened The CBIT activities will utilize the insights from this project, particularly the identified gaps and differences, to inform the development of the institutional mechanism and coordination for UNFCCC reporting.

A3. Barriers

The main barriers for implementing Palau's transparency framework to meet the demands of the enhanced transparency framework under the Paris Agreement were identified through a baseline analysis (see previous section) and in discussions with key country stakeholders including Office of Climate Change, Palau Energy and Water Administration, the Office of Project Management from the Ministry of Finance as well as other stakeholders during the validation workshop. They can be grouped into the following categories:³

Barrier I – Lack of institutional arrangements for climate change transparency

Root Cause 1-1: Lack of institutional arrangement and data sharing framework for data collection/management for GHG inventory and NDC progress reporting

OCC has been mandated to lead the preparation of reports to the Convention. Most line ministries and other institutions that manage or report on activities that result in emissions (or removals) have no defined mandate to address climate change issues and participate in the UNFCCC reporting process. Therefore, these responsibilities are assigned on an ad hoc basis and are seen as additional. Moreover, Additionally, there are no centralized processes for preparing the NC, NDC, or national GHG inventory, nor are there clearly defined roles and responsibilities for line ministries, departments, or private sector actors. There are also no directives outlining protocols for the regular collection, compilation, review, reporting, or maintenance of data.

In the absence of any formal process to gather data, all data that is collected by OCC through official requests and the speed of its availability is dependent on relationships and understanding of the assigned staff in the line ministry. Palau's transparency framework is hindered by the lack of a legislative environment that supports data sharing. Government entities that collect data are not required to share this information with OCC.

Root cause 1-2: Absence of capacity building strategy

Palau faces challenges in capacity building for ETF reporting due to fragmented efforts and a lack of a unified strategy. This leads to knowledge gaps, inefficient initiatives, and poorly targeted training programs. Furthermore, the absence of a structured approach hinders effective monitoring and evaluation, making it difficult to track progress of capacity building activities implemented and identify areas for improvement. To address these issues, a comprehensive long-term capacity building strategy is crucial. This strategy should align with Palau's national development plans and strategies. Moreover, the uncoordinated approach limits the inclusion of women and marginalized groups in capacity-building efforts.

Root cause 1-3: Lack of awareness and knowledge on ETF and climate transparency

Lack of understanding of ETF and climate transparency creates significant barriers for effective climate action in Palau. Limited understanding of ETF among key stakeholders hinders their engagement in ETF-related activities. This leads to ETF being underprioritized and stakeholders showing little interest in participating in ETF-related activities such as data collection and reporting. This will ultimately affect the quality of GHG inventories being prepared as well as effectively monitoring the progress in climate action implementation.

Barrier II – Insufficient systems, tools and guidelines for GHG inventory reporting

Root cause 2-1: Lack of guidelines and training for data collection for GHG inventory

There are no standardized guidelines or tools to streamline data collection or support the methodologies for estimating and analyzing the data. The data are often collected on an ad-hoc basis. The personnel involved in the data collection process often lack knowledge and skillsets required. In response to these gaps, data collection tools and methodologies tailored to Palau's needs and training for relevant personnel are required for effective and accurate GHG inventory preparation.

Root cause 2-2: Insufficient tools, templates and methodologies for data verification and analysis (Quality Assurance/Quality Control)

There are no established guidelines or systems for Quality Assurance/Quality Control (QA/QC) of the collected and reported data or for the analyses performed. This gap compromises the reliability and transparency of the GHG inventories. Without proper QA/QC procedures, ensuring the consistency and accuracy of the GHG data is challenging, leading to potential discrepancies in reporting and analysis. Addressing these issues is crucial for Palau to produce accurate, transparent, and comprehensive GHG inventories that meet international standards.

Root cause 2-3: Lack of central data repository and management system for GHG inventory

Currently, Palau faces significant challenges in managing its GHG inventory due to the absence of a centralized system for storing, archiving, and retrieving data across various departments and ministries. The available data is dispersed across multiple locations and formats, necessitating an ad-hoc approach to collection and collation. This lack of data organization hinders the efficiency as well as the accuracy of the GHG inventory process and reporting.

Barrier III – Inadequate Monitoring, Reporting, and Verification (MRV) Systems for NDC Implementation and Climate Support Tracking

Root cause 3-1: Lack of central data repository for NDC tracking

Palau lacks necessary infrastructure and system to collect, store and archive its progress on climate action implementation as well as support received and needed. This hinders Palau's ability to track its progress on climate action and support. Therefore, there is a need for a central hub where the NDC progress data can be stored, analyzed, archived and retrieved by multiple stakeholders involved in climate action and support tracking processes.

Root cause 3-2: Lack of guidelines and training for data collection for NDC implementation, including QA/QC

There is a significant gap in the availability of standardized tools, templates, and capacities required for consistent and accurate tracking of NDC actions. National agencies often operate without the necessary systems or guidelines to facilitate robust monitoring processes, resulting in fragmented and inconsistent reporting.

Root cause 3-3: Insufficient tools, templates and methodologies for data collection for climate support and support received and required

There is a lack of tools and methodologies for Palau to collect data for climate support. Furthermore, awareness and understanding among ministries and agencies regarding the reporting requirements for climate

support received or needed further undermine the transparency and reliability of climate support tracking. Addressing these barriers is essential for Palau to build a credible and effective MRV system.

Problem tree

The figure below illustrates the root causes and barriers the CBIT project seeks to address.

PALAU CBIT - PROBLEM TREE

Effects	Reports not meeting the deadline and requirements of UNFCCC	Poor data feeds into inadequate NDC planning	National and international climate goals are unmet
Core Problems	Inefficient and lengthy process of data management and collection	Uncertainty in data collected and reported	Report preparation insufficiently coordinated and extra burden to line ministries
Barrier	Lack of institutional arrangement for climate change transparency	Insufficient system, tools and guidelines for GHG inventory reporting	Inadequate MRV system for NDC implementation and climate finance tracking
Root Causes	1. Lack of institutional arrangement and data sharing framework for data collection/management for GHG inventory and NDC progress reporting 2. Absence of capacity building strategy 3. Lack of awareness and knowledge on ETF and climate transparency	1. Lack of guidelines and training for data collection for GHG inventory 2. Insufficient tools, templates and methodologies for data verification and analysis (Quality Assurance/Quality Control) 3. Lack of central data repository and management system	1. Lack of central data repository for NDC tracking 2. Lack of guidelines and training for data collection for NDC implementation, including QA/QC 3. Insufficient tools, templates and methodologies for data collection for climate finance and support received and required

PALAU CBIT - PROBLEM TREE

Figure 1: Problem Tree

A4. Project objective

This Palau Capacity Building Initiative for Transparency project aims to strengthen the climate transparency system of Palau in order to meet the requirements of the ETF under the Paris Agreement. This will be achieved through three components: strengthening gender-responsive institutional arrangements for ETF, establishing GHG inventory systems, and strengthening the MRV system for tracking climate actions and support.

By establishing an institutional mechanism for effective coordination and data sharing agreements between relevant agencies, coupled with capacity building initiatives and knowledge sharing on regional best practices, the project seeks to enhance its ability to regularly and transparently report on GHG inventory and NDC implementation. The GHG inventory system will be improved by developing necessary methodologies, tools and templates. The project will also develop an IT-based GHG inventory systems. Similarly, for strengthening the MRV system for tracking climate actions and support, methodologies, tools and templates will be developed including an IT-based NDC tracking system. Staffs from relevant agencies will be trained on using the developed tools and templates.

The project builds on existing baseline activities and ongoing initiatives to maximize cost-effectiveness, focusing on enhancing current systems rather than creating new ones. Despite the ongoing efforts, significant gaps remain in institutional capacity, data management, and capacity and awareness of national stakeholders. The current system for GHG data collection and reporting is ad-hoc, relying heavily on external consultants

and lacking standardized protocols and quality control measures. By addressing these deficiencies, the CBIT project aims to institutionalize robust data management practices and establish a permanent system for regular and accurate GHG inventory updates.

The Palau CBIT project is expected to deliver considerable socio-economic benefits. Enhanced data collection and reporting on climate actions will improve climate resilience, safeguarding vulnerable communities and minimizing economic losses from extreme weather events. Strengthening the GHG inventory and MRV frameworks will also create economic opportunities, encouraging investments in green technologies and renewable energy, which in turn will generate new jobs and skills for the local workforce. Improved institutional arrangements and stakeholder coordination will enhance governance, reduce inefficiencies, and build public trust. Moreover, by supporting sustainable development and fostering international cooperation, the project will position Palau to attract further funding and technical assistance, reinforcing its climate action and development goals.

Capacity-building initiatives will empower local stakeholders, creating a skilled workforce capable of managing and reporting on climate data independently. This empowerment fosters local ownership and ensures the continuity of climate actions beyond the project's lifespan. Additionally, the project's focus on gender and equitable participation will ensure that the benefits of capacity building and climate action are shared across all segments of society, promoting social equity and inclusion.

In summary, the CBIT project will not only enhance Palau's compliance with international climate reporting requirements but also support sustainable development and resilience-building efforts. By improving institutional capacity, data management, and stakeholder coordination, the project will enable Palau to effectively track and report on their climate actions, attract necessary support, and implement informed policies that drive socio-economic development.

B. PROJECT DESCRIPTION

Project description

This section asks for a theory of change as part of a joined-up description of the project as a whole. The project description is expected to cover the key elements of good project design in an integrated way. It is also expected to meet the GEF's policy requirements on gender, stakeholders, private sector, and knowledge management and learning (see section D). This section should be a narrative that reads like a joined-up story and not independent elements that answer the guiding questions contained in the PIF guidance document. (Approximately 3-5 pages) see guidance [here](#)

B1. Overview

The theory of change is presented in Figure 2 in the subsequent section. The project is designed such that three components address the three barriers identified in the Problem Tree (Figure 1), i.e., Component 1 responds to Barrier 1, etc. The theory of change illustrates how each outcome will be achieved by addressing each barrier through the project output, and necessary assumptions and drivers. It should be noted that Component 4 on monitoring and evaluation is not included in the diagram. According to UNEP's Glossary of Results Definitions, assumptions refer to external conditions necessary for project outputs to translate to project outcomes. These are monitored as factors that impact success but, over which, the project has no control. Drivers are defined as external conditions over which the project has a certain level of control and can influence.

Each project component on the left side of the diagram is broken down into specific outputs, leading toward the development and activation of a comprehensive Transparency Management System. This system will build on existing support from initiatives like the NC and NAP development, all aimed at achieving the long-term impact of reducing GHG emissions, enhancing GHG removals, and increasing resilience to climate impacts. Each output and its deliverables are designed to drive a shift in behaviors or conditions in Palau (outcomes), ultimately contributing to the country's compliance with the Paris Agreement's Enhanced Transparency Framework (ETF) requirements.

Outcome 1 and its associated outputs focus on formalizing and strengthening institutional arrangements for the ETF. This component is essential for enabling consistent, transparent reporting under the UNFCCC and the Paris Agreement, focusing on establishing a structured institutional framework that promotes collaboration among government and non-government stakeholders for reliable data collection and reporting. This component will also formalize and strengthen capacity building initiatives emphasizing GHG inventory and NDC tracking. This component will also involve increasing awareness of national stakeholders' on regional best practices through peer-to-peer exchanges and knowledge-sharing activities. Through these actions, Outcome 1 is achieved: Palau's government consistently measures and tracks climate data within a gender-responsive national climate transparency system.

Outcome 2 and its outputs concentrate on establishing a robust IT-based GHG inventory system to ensure accurate and timely preparation of GHG inventory. The project component will enhance national stakeholders' awareness of regional best practices and provide staff of relevant agencies with the necessary methodologies and capacities to conduct QA/QC for the GHG Inventory system. It will ensure that national ministries and stakeholders have access to an integrated national GHG emissions inventory system, facilitating better data management and reporting. Outcome 2 results in a robust, sustainable GHG inventory system supporting Palau's climate transparency goals.

Outcome 3 and its outputs focuses on strengthening MRV systems to enable Palau to track and transparently report on NDC implementation, resultant GHG emissions, and climate support. This component will provide national agencies and other stakeholders with the systems and capacities needed to monitor NDC implementation effectively. It will also equip national agencies with tools and templates for tracking the progress of NDC actions and develop the capacity to track financial support received for climate change actions. By enhancing these MRV systems, Palau will improve the transparency and accuracy of its climate support reporting, building trust and credibility in its climate actions. Outcome 3 results in a robust, sustainable system that accurately tracks progress on NDC implementation and support received, supporting Palau's climate transparency goals.

Moving to the right side of the diagram, each outcome of the project then leads to intermediary states where the transparency management system supports effective climate action planning and implementation, helping Palau meet its NDC targets and set additional climate targets. Relevant drivers and assumptions are outlined below, and more details are available in the Project results framework in Annex C. Assumptions include political stability in the country, continuing political will to support the climate transparency system as well as continued national and international funding for climate action. Drivers include sustained demand for climate transparency-related information and data, ministerial interest/ buy-in and national stakeholders' commitment to comply with ETF requirements.

B2. Theory of change

The figure below illustrates the theory of change for Palau's CBIT project.

Component 1. Strengthening Gender-inclusive Institutional Arrangements for Enhanced Transparency Framework

Output 1.1. **Gender-responsive institutional mechanisms** for coordinating and monitoring NDC implementation and preparation of GHG Inventory designed, and formal process of adoption initiated.

Output 1.2. **Gender-responsive capacity building** initiatives focusing on GHG inventory, MRV and NDC tracking are formalized and strengthened.

Output 1.3. **National stakeholders' awareness on regional best practices on ETF** increased through regional peer-to-peer exchange and knowledge-sharing activities.

Component 2. Establishing Palau's Greenhouse Gases (GHG) Inventory Systems

Output 2.1 Staff of relevant agencies have access to methodologies, tools, and capacities for **GHG data collection and reporting**.

Output 2.2. Staff of relevant agencies have access to methodologies and capacities to conduct **QA/QC for GHG Inventory system**.

Output 2.3. National ministries and stakeholders have access to an integrated **IT-based national GHG emissions inventory system**.

Component 3. Strengthening MRV framework for monitoring, tracking and reporting on climate actions and support

Output 3.1. An **IT-based system for tracking NDC action progress** is developed.

Output 3.2. **Data collection tools and templates** are developed for tracking progress of NDC actions implementation.

Output 3.3. National ministries and agencies have access to tools and capacity to **collect data and report on climate finance and support received and required**.

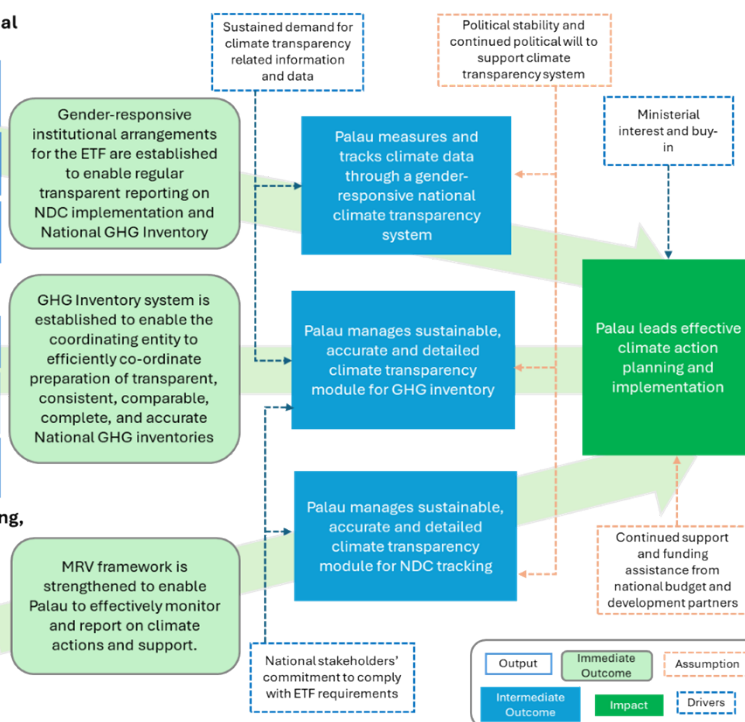


Figure 2: Theory of Change

B3: Project Elements

Component 1: Strengthening Gender-responsive Institutional Arrangements for Enhanced Transparency Framework

This component will address Barrier 1: Inadequate permanent institutional arrangements to implement ETF.

Component 1 focuses on establishing and formalizing Palau's institutional arrangements for the ETF to enable regular and transparent reporting on NDC implementation and the National GHG Inventory. By creating robust institutional mechanisms, enhancing capacity-building initiatives, and increasing awareness of regional best practices through peer-to-peer exchanges and knowledge-sharing activities, this component aims to ensure sustainability, replicability, and private sector engagement. Strong institutions provide a solid foundation for further technical development and continued improvements to the national transparency system. The arrangements and relationships developed will serve as a model across government ministries, demonstrating effective collaboration on climate change.

Outcome 1: Gender-responsive institutional arrangements for the Enhanced Transparency Framework (ETF) are established to enable regular transparent reporting on NDC implementation and National GHG Inventory.

Output 1.1. *Gender-responsive institutional mechanisms for coordinating and monitoring NDC implementation and preparation of GHG Inventory designed, and formal process of adoption initiated.*

This output involves the creation and formal adoption of institutional mechanisms that coordinate and monitor the implementation of Palau's Nationally Determined Contributions (NDCs) and the preparation of the National GHG Inventory. This output will leverage and expand upon the findings related to institutional mechanisms and coordination developed within the ongoing NC3 and NAP projects. By engaging with

stakeholders to identify gaps and needs, Palau will develop a comprehensive framework detailing roles, responsibilities, and processes for data collection, management, and reporting.

Draft institutional arrangements and data-sharing agreements will be aligned with national laws and international best practices, and government endorsement will be secured to ensure the formal adoption of these mechanisms. This framework will provide the structure needed for transparent and systematic climate reporting. This activity will focus on ministries and relevant entities related to the sectors pertinent to the country's NDC and GHG emissions.

This Output, which involves extensive consultations and engagement with national stakeholders to formalize institutional arrangements, will ensure the inclusive participation of key stakeholders in drafting and adopting formal frameworks for GHG inventory preparation and NDC tracking. The aim is to make stakeholder workshops gender-responsive, with balanced gender representation and participation. A gender expert will be engaged to guide this deliverable in relation to gender aspects.

Code	Deliverable short title	Tentative content and required activities	Relevant stakeholders	Entity in charge of producing deliverable
1.1.1	Stocktake/gap assessment and design option report on the current institutional arrangements	This output involves a comprehensive review of existing institutional arrangements, identifies gaps and weaknesses, and proposes design options for improvement. Activities include stakeholder consultations, data analysis, and drafting the report.	The OCC will be the key stakeholder for the stocktaking assessment, however, all stakeholders listed in the Baseline section above will be relevant for this deliverable.	GGGI as the lead entity with the OCC providing review and sign off.
1.1.2	UNFCCC reporting institutional arrangements and process guideline document	This output includes the development of detailed guidelines outlining the roles and responsibilities of all stakeholders involved in national climate change transparency. Activities include consultations with stakeholders and drafting the guidelines. This would also document the current participation of women in climate change planning, monitoring and reporting in Palau.	The guidelines will be designed for all stakeholders to review and understand their individual roles and responsibilities.	GGGI as the lead entity with the OCC providing review and sign off.
1.1.3	Data Sharing Agreement for data providers for both GHG Inventory and NDC tracking	Three (3) Data-sharing agreements will be established between the Office of Climate Change (OCC) and the following ministries/agencies: Ministry of Finance (MoF), Ministry of Agriculture, Fisheries, and the Environment (MAFE) and Environmental Quality Protection Board (EQPB). The MoF will serve as the data custodian for Energy and FOLU sectors. MAFE will be responsible for data related to agriculture and maritime sectors. The EQPB will manage data for the IPPU sector. Both MoF and EQPB are responsible for waste sector data. These agreements will stipulate	OCC Relevant line ministries and agencies	GGGI as the lead entity with the OCC providing review and sign off.

		the legal and procedural guidelines for data exchange, encompassing data transfer mechanisms, access permissions, and security safeguards. The requisite actions include the drafting of the agreement, negotiation with data providers, the establishment of data transfer protocols, and the formalization of the agreement. The form of the agreement will be determined at the inception stage.		
1.1.4	Consultations and validation workshops	The draft institutional arrangement and process guideline (activity 1.1.2) and data-sharing agreements (activity 1.1.3) will be presented to relevant stakeholders to receive feedback and validation. These consultation and validation workshops will facilitate engagement with relevant ministries and test the flow of information intended by the data-sharing agreements, ensuring their effectiveness. The consultation process will ensure effective participation by all genders to capture diverse and balanced viewpoints, promoting inclusivity and equitable representation in the discussions. This deliverable will include: - 4 consultations workshops - 1 validation workshops	The OCC Key stakeholders as identified the baseline section	GGG/OCC

Output 1.2. *Gender-responsive capacity building initiatives focusing on GHG inventory, MRV and NDC tracking are formalized and strengthened.*

Formalized and strengthened capacity-building initiatives will focus on enhancing the skills and knowledge of government officials and stakeholders involved in GHG inventory management, MRV processes, and NDC tracking. By conducting a needs assessment and review exercise, a capacity building strategy and targeted training programs will be developed and implemented, including workshops and hands-on exercises. Local and regional academia (e.g., University of the South Pacific) will be engaged to contribute to the development and delivery of training programs, ensuring relevant expertise and contextual understanding. These initiatives will ensure that stakeholders have the technical expertise required to utilize MRV tools and GHG inventory methodologies effectively.

Output 1.2 will ensure balanced gender representation by encouraging both men and women to participate in consultation and training workshops. Workshop reports will include gender-disaggregated data to track participation and support inclusive decision-making across stakeholders. A gender integration guiding framework and monitoring plan will be developed to integrate gender responsiveness into climate transparency efforts. The capacity-building strategy and action plans will be designed to reflect gender sensitivity, ensuring that training opportunities are accessible and equitable for all participants.

Code	Deliverable short title	Tentative content and required activities	Relevant stakeholders	Entity in charge of producing deliverable
1.2.1	A long-term strategy for capacity development on ETF including action plan and financing strategy	A long-term strategy for capacity development on ETF will be prepared based on a gaps assessment report which includes capacity gaps and training needs for stakeholders involved in MRV, GHG inventory, NDC tracking, and climate support. Activities include surveys, interviews, data analysis, and compiling the findings into a comprehensive report. The strategy will include comprehensive action plans and a financing strategy to support continuous capacity building in the country. The strategy developed will include 'training the trainers', which will foster sustainability and replication of capacity building initiatives, ensuring sustainability and wider impact. The strategy will be designed to incorporate the training activities including Deliverables 2.1.5, 2.2.3, 2.3.5, 3.1.5, 3.2.4 & 3.3.3 on a regular basis beyond the project period to ensure sustained capacity creation and mitigation of potential staff turnover beyond the project period. Gender considerations will be integrated throughout the strategy, including actions to promote women empowerment, targeted capacity building opportunities for women, and measures to address barriers that may limit their participation in capacity-building activities. The strategy document will be validated by relevant stakeholders.	The OCC will be the key stakeholder for developing the strategy, however, all stakeholders involved in the national transparency system will be included in the capacity needs assessment.	GGGI as the lead entity with the OCC providing review and sign off.
1.2.2	A gender integration guiding framework and gender monitoring plan	A gender framework will be developed to ensure gender responsiveness in climate transparency efforts, including guidelines and a monitoring plan. Activities include gender analysis, stakeholder consultations, and drafting the framework and monitoring plan.	The OCC will be the primary stakeholder to implement the gender framework.	GGGI as the lead entity with the OCC providing review and sign off.
1.2.3	A training series on ETF/MRV in collaboration with	Training series will be organized targeting national stakeholders from all IPCC sectors (energy, IPPU, AFOLU and waste) covering key MRV concepts, reporting requirements, data needs, the process for GHG inventory,	The training workshops will be aimed at the OCC, the members of the NCCCC and associated	GGGI/OCC

	existing partners and platforms	process, and indicators for tracking actions, among other relevant transparency items. The training will leverage existing learning resources, for example, MRV curriculum developed by the University of the South Pacific as part of the Fiji CBIT project, and seek collaboration opportunities with the CBIT Global Support Program. Activities include organizing workshops, recording discussions, collecting participant feedback, and compiling a detailed summary report. The training will ensure balanced gender representation among participants with outreach efforts to encourage women staff's participation. The deliverable will include 2 training workshops. Local and regional academic institutions will be engaged for training sessions.	working groups, and other relevant stakeholders. Other potential partners for training delivery (USP, CBIT-GSP)	
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Output 1.3. National stakeholders' awareness on regional best practices on ETF increased through regional peer-to-peer exchange and knowledge-sharing activities.

The project will facilitate peer-to-peer exchanges and knowledge-sharing activities to enhance awareness and understanding of the Enhanced Transparency Framework (ETF) and best practices on ETF among national stakeholders. These efforts will ensure a coordinated approach to build awareness of ETF and increase visibility of the project through the development of the communication and knowledge management strategy.

Increasing national stakeholders' awareness of regional best practices in implementing the ETF is critical. Through regional peer-to-peer exchanges, and knowledge-sharing activities, stakeholders will gain insights into successful ETF implementation cases from neighboring countries. Documenting and disseminating these best practices will enable Palau to adopt proven strategies and approaches, enhancing the effectiveness of its own transparency framework. This output also contributes towards the project's knowledge management objectives through regional knowledge sharing and contributions to the CBIT Global Coordination Platform. These efforts will also ensure regular and sustained engagement through the development and implementation of a comprehensive communication and knowledge management strategy.

Gender inclusion will be prioritized, and it will be ensured that knowledge sharing, awareness-raising activities and capacity building activities are inclusive and benefit both men and women. The goal is to achieve at least 50% female participation in such activities.

The awareness raising materials developed on climate change, NDC and climate transparency will incorporate gender-responsive messaging, highlighting the importance of gender equality and promoting inclusive and engagement of both genders in climate change and transparency efforts.

Code	Deliverable short title	Tentative content and required activities	Relevant stakeholders	Entity in charge of producing deliverable
1.3.1	Communication and knowledge management strategy	A communication and knowledge management strategy will be developed to facilitate knowledge sharing and awareness raising of ETF and increase visibility of the project. The strategy will use diverse sources of media platform including newspaper and social media (such as Facebook) to ensure broader reach and to effectively communicate information to the target audience. The strategy will include gender-specific components, such as targeted communication approaches for women stakeholders and tailored knowledge products addressing gender-responsive climate actions. Efforts will ensure that communication channels and materials are accessible and inclusive for all genders.	OCC Government departments involved in ETF implementation GGGI	OCC with the communication and knowledge management expert
1.3.2	Regional peer exchange workshop organized	The project will organize one (1) regional peer exchange workshop to facilitate knowledge and transparency experiences sharing on ETF-related activities, challenges, and lessons learned for implementing ETF. This workshop can be held as a stand-alone event or in collaboration with other transparency initiatives. Sessions will address barriers to women's participation and encourage the integration of gender perspectives in climate change planning and reporting. Activities include organizing the workshop, capturing key exchanges, synthesizing learnings, and drafting the report. This activity will involve collaborating with the CBIT-GSP network to create synergy in the learning and knowledge exchange activities. Efforts will be made to encourage the participation of women professionals from diverse sectors and levels of expertise.	The OCC PEWA Relevant national and regional stakeholders	GGGI/OCC
1.3.3	Participation in training and knowledge sharing activities on ETF and climate change	Relevant national stakeholders, primarily the OCC, will participate in knowledge sharing and training opportunities, which are aligned with the scope of the CBIT project and country's transparency	The OCC will be the primary stakeholder to engage with regional training and	GGGI/OCC

		goals. To ensure relevance, the selection of training and knowledge sharing activities will be guided by national priorities related to transparency and sector specific needs as communicated by the government partner. This activity will be conducted liaising with the CBIT-GSP network to synergize the learning activities. Selection criteria will prioritize gender-balanced participation, ensuring women have equal opportunities to attend workshops and training.	knowledge sharing activities.	
1.3.4	A report on international best practices and lessons learnt for climate transparency	This output involves research and documenting international best practices and lessons learned in climate transparency. Activities include literature review, expert interviews, and compiling findings into a detailed report. This report will inform the development of the long-term capacity development strategy (Deliverable 1.2.1), and vice versa.	OCC Sectoral ministries Regional agencies	GGGI with OCC providing review and signoff

Component 2: Establishing Palau's Greenhouse Gases (GHG) Inventory Systems

This component will address Barrier 2: Insufficient systems, tools and guidelines for GHG inventory reporting.

Component 2 focuses on establishing a comprehensive GHG inventory preparation system that enables the coordinating entity to efficiently produce transparent, consistent, comparable, complete, and accurate National GHG inventories. It ensures gender responsiveness by maintaining gender balance in training programs and including gender-specific data considerations in GHG inventory methodologies. The sustainability of the project's impact is reinforced by developing robust systems and training personnel, providing a lasting foundation for continuous improvement in GHG data management, clear guidance materials, and developing a financing strategy beyond the scope of the CBIT project for systems and tools developed. The replicability of the systems and methodologies allows their application across different sectors and regions within Palau, serving as a model for similar contexts elsewhere. The uptake by national ministries and stakeholders, who will adopt these new systems and practices, ensures broad engagement.

Outcome 2: GHG Inventory preparation system enables the coordinating entity to efficiently co-ordinate preparation of transparent, consistent, comparable, complete, and accurate National GHG inventories.

Output 2.1. *Staff of relevant agencies have access to methodologies, tools, and capacities for GHG data collection and reporting.*

Providing staff with access to the relevant methodologies, tools, and resources for GHG data collection and reporting is essential. This output ensures that all data collection processes are aligned with international standards and best practices, and pertinent to the national needs and context. All four IPCC sectors (i.e., Energy, IPPU, AFOLU and Waste sectors) will be covered. Training and equipping staff with these

methodologies and tools will enhance the accuracy and reliability of GHG data, forming a solid foundation for the National GHG Inventory.

For output 2.1, gender inclusion will be prioritized by promoting female participation in all training sessions related to data collection tools and methodologies for the GHG inventory. Training workshop reports will include sex-disaggregated data to ensure balanced representation and monitor diversity in participation.

Code	Deliverable short title	Tentative content and required activities	Relevant stakeholders	Entity in charge of producing deliverable
2.1.1	Scoping paper on gases, sectors and availability of data for preparing GHG inventory	The scoping report will assess the availability of GHG inventory data, map key stakeholders and the data they have access to and review existing methodologies. Activities include data collection, stakeholder interviews, literature review, and drafting the scoping report. The scoping report will also specify GHG emission categories and sub-categories within the IPCC sectors and the methodology (tier) to be used from the IPCC Guidelines.	OCC Other relevant ministries as identified in A2. Baseline	GGGI as the lead entity with the OCC providing review and sign off.
2.1.2	Data collection templates and protocols for GHG data collection developed	Standardized templates and protocols for GHG data collection will be developed for all sectors (Energy, IPPU, AFOLU and Waste). Activities include designing templates, defining data collection procedures, and validating the templates with stakeholders. This output will inform the GHG database management system.	OCC Other relevant ministries as identified in A2. Baseline	GGGI as the lead entity with the OCC providing review and sign off.
2.1.3	GHG estimations/ calculation spreadsheets and guidance on using the spreadsheets	Spreadsheets for calculating and compiling GHG inventory data will be prepared suitable for the national context. Activities include designing spreadsheet formats, integrating calculation formulas, and testing for accuracy. Four templates, one for each sector, will be developed.	OCC Other relevant ministries as identified in A2. Baseline	GGGI as the lead entity with the OCC providing review and sign off.
2.1.4	A guidance manual for GHG inventory data collection, calculation and compilation	A detailed manual guiding data collection, calculation, and compilation processes will be developed. Activities include drafting content, incorporating best practices, and reviewing the manual with experts and stakeholders.	OCC Other relevant ministries as identified in A2. Baseline	GGGI as the lead entity with the OCC providing review and sign off.
2.1.5	GHG inventory training workshops	The training workshop will cover the data collection for GHG inventory as well as the use of IPCC Inventory Software for GHG estimations. Activities include organizing the workshops, recording discussions, collecting participant feedback, and compiling a detailed summary report. The deliverable will include two (2) training workshops. The training will ensure balanced gender representation among participants with outreach	OCC Other relevant ministries as identified in A2. Baseline	GGGI/OCC

		efforts, encouraging the participation of women staff. Feedback mechanisms will also be established to address any gender specific challenges faced during data collection activities. The capacity building strategy (Deliverable 1.2.1) will explore sustained creation of capacities beyond the project period to overcome potential staff turnover.		
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Output 2.2. *Staff of relevant agencies have access to methodologies and capacities to conduct QA/QC for GHG Inventory system.*

Equipping staff with the necessary skills and knowledge to conduct Quality Assurance/Quality Control (QA/QC) for the GHG inventory system is vital for maintaining data integrity. This output involves the development of a robust QA/QC process and guidelines covering all IPCC sectors which ensures that all GHG data is transparent, consistent, and accurate. By providing training and resources for QA/QC, Palau will enhance the reliability of its GHG inventories. The training workshops will ensure inclusive participation from stakeholders across all IPCC sectors (Energy, IPPU, AFOLU and Waste sectors).

In this output, gender inclusion will be prioritized by promoting female participation in all training sessions related to QA/QC methodologies for the GHG inventory. Training workshop reports will include sex-disaggregated data to ensure balanced representation and monitor diversity in participation.

Code	Deliverable short title	Tentative content and required activities	Relevant stakeholders	Entity in charge of producing deliverable
2.2.1	Guidelines on QA/QC procedures for GHG inventory	Detailed guidelines for Quality Assurance/Quality Control procedures specific to GHG inventory processes will be developed. A QA/QC plan will also be developed, and appended to the guidelines, outlining specific procedures and responsibilities and a schedule for QA/QC activities. Activities include drafting the plan, incorporating stakeholder feedback, and finalizing the document through expert reviews.	OCC Other relevant ministries as identified in A2. Baseline	GGGI as the lead entity with the OCC providing review and sign off.
2.2.2	Training materials on the application of QA/QC procedures/plan in GHG inventory	Develop training materials to educate stakeholders on QA/QC procedures for GHG inventory. Activities include creating presentations, handouts, and interactive exercises based on the QA/QC guidelines and plan.	OCC Other relevant ministries as identified in A2. Baseline	GGGI as the lead entity with the OCC providing review and sign off.
2.2.3	Training workshops on QA/QC	Activities include organizing the workshops, capturing detailed notes, collecting feedback, and compiling a comprehensive summary report. This deliverable will include two training workshops.	The QA/QC training workshop will be targeted for the OCC as the coordinators of the inventory, however,	GGGI as the lead entity with the OCC providing

		The training will ensure balanced gender representation among participants with outreach efforts, encouraging the participation of women staff. The capacity building strategy (Deliverable 1.2.1) will guarantee sustained creation of capacities on QA/QC beyond the project period to overcome potential staff turnover.	sector experts will also be relevant to provide first line QA/QC and review activities.	review and sign off.
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Output 2.3. National ministries and stakeholders have access to an integrated IT-based national GHG emissions inventory system.

Developing an integrated national GHG emissions inventory system that consolidates data from various sources and is accessible to all relevant stakeholders is crucial. This output involves creating a user-friendly GHG Inventory Database Management System (GHG DBMS) that facilitates efficient data entry, management, and reporting. The GHG DBMS will cover all the IPCC sectors (i.e., Energy, IPPU, AFOLU and Waste). Ensuring that national ministries and stakeholders can easily access and utilize this system will streamline the GHG inventory preparation process and improve overall data quality. The OCC will be responsible for the ownership and provision of server space to host the IT-based tools developed under this output as well as for the annual maintenance contract.

Gender inclusion will be ensured by promoting female participation in training sessions on the IT-based database management system for GHG inventory. The system design will incorporate gender considerations, including sex-disaggregated data fields, and provide equal access to all users. Training workshop reports will include gender-disaggregated data to monitor balanced participation.

Code	Deliverable short title	Tentative content and required activities	Relevant stakeholders	Entity in charge of producing deliverable
2.3.1	A scoping paper on IT-based GHG database management systems (DBMS), assessing the needs and scope for the system	The scoping paper will be prepared to assess the needs and scope for the GHG Inventory Database Management System (GHG DBMS). Activities include stakeholder consultations, requirement analysis, and drafting the scoping report to outline system specifications and functionalities.	OCC PALARIS Other relevant ministries and agencies	GGGI as the lead entity with the OCC providing review and sign off.
2.3.2	A design report for the GHG DBMS to set system requirements specifications	A detailed software requirement specification document for the GHG DBMS will be developed. Activities include gathering technical requirements, defining system features, and validating specifications with stakeholders and technical experts.	OCC PALARIS Other relevant ministries and agencies	GGGI as the lead entity with the OCC providing review and sign off.
2.3.3	GHG DBMS developed, including piloting/user acceptance testing	This output includes the design, development, and deployment of the GHG DBMS. Activities include system design, coding, testing, deployment, and ensuring the system is fully	OCC PALARIS	GGGI as the lead entity with the OCC providing review and sign off.

		operational and integrated with existing processes.	Other relevant ministries and agencies	
2.3.4	User manual for GHG DBMS	A comprehensive user manual for the GHG DBMS will be developed. Activities include writing step-by-step instructions, incorporating screenshots, and testing the manual for clarity and usability. The User manual will be designed to ensure the creation of knowledge and skills leading to sustained activity and mitigate the issue of potential staff turnover.	OCC PALARIS Other relevant ministries and agencies	GGGI as the lead entity with the OCC providing review and sign off.
2.3.5	Training program on GHG DBMS	A training workshop will be organized on the use of the GHG DBMS to relevant stakeholders, including the OCC. Activities include organizing the workshop, capturing detailed notes, collecting feedback, and compiling a comprehensive summary report. This deliverable will include 1 training workshop, which may include multi-day training program. Special outreach will be conducted to encourage the participation of women staff, and feedback mechanisms will be set up to address gender-specific challenges in utilizing the tools effectively.	OCC PALARIS Other relevant ministries and agencies	GGGI as the lead entity with the OCC providing review and sign off.
2.3.6	A financing strategy for long-term operation of the GHG DBMS	A financing strategy will be prepared to ensure the long-term operation of the GHG DBMS. Activities include financial analysis, stakeholder consultations, identifying funding sources, and drafting the strategy document.	OCC Ministry of Finance Other relevant ministries and agencies	GGGI as the lead entity with the OCC providing review and sign off.

Component 3: Strengthening MRV framework for monitoring, tracking and reporting on climate actions and support

This component will address Barrier 3: Inadequate Monitoring, Reporting, and Verification (MRV) Systems for NDC Implementation and Climate Support Tracking

Component 3 aims to establish a robust MRV system to enable Palau to track and transparently report on NDC implementation, and climate support. It involves developing IT-based tracking systems, creating tools and templates for NDC action and support tracking, and increasing awareness of reporting requirements for climate support. Gender responsiveness is ensured by making training programs and access to tools and templates inclusive and considering gender-specific impacts.

Outcome 3: MRV framework is strengthened to enable Palau to effectively monitor and report on climate actions and support.

Output 3.1. *An IT-based system for tracking NDC action progress is developed.*

Providing national agencies and stakeholders with the necessary systems and capacities to monitor NDC implementation is key. This output involves developing the IT-based NDC implementation tracking system and its related guidelines, protocols, and training materials that enable effective monitoring processes. The OCC will be responsible for the ownership and provision of server space to host the IT-based tools developed under this output as well as for the annual maintenance contract. By ensuring that stakeholders have access to these resources, Palau will enhance its ability to track the progress of NDC actions and report transparently. This output will focus on NDC action tracking in the Energy (Electricity, Transport and Energy-Other Sector^[1]), AFOLU and Waste sectors in alignment with latest draft of the country's NDC^[2].

^[1] Energy Other Sector includes Households and Commercial.

^[2] https://www.palagov.pw/wp-content/uploads/DRAFT_Palau-Enhanced-NDC-2025-2030-SPC_NDCHUB_etc.pdf

For Output 3.1, gender inclusion will be ensured by promoting female participation in training sessions on the IT-based NDC tracking system. Training workshop reports will include gender-disaggregated data to monitor balanced participation.

Code	Deliverable short title	Tentative content and required activities	Relevant stakeholders	Entity in charge of producing deliverable
3.1.1	A scoping paper on IT-based NDC tracking system	The output will include the assessment of the needs and scope of the NDC Tracking System. Activities include stakeholder consultations, requirement analysis, and drafting the scoping report to outline system specifications and functionalities.	OCC PEWA Other relevant ministries and agencies	GGGI as the lead entity with the OCC providing review and sign off.
3.1.2	A design report for the IT-based NDC tracking system to set system requirements specifications	A detailed software requirement specification (SRS) document for the NDC Tracking System will be prepared. Activities include gathering technical and user requirements, defining use cases, system features, and validating specifications with stakeholders and technical experts. The system will be designed with a consistent user interface and other specifications as in	OCC PEWA Other relevant ministries and agencies	GGGI as the lead entity with the OCC providing review and sign off.

		output 2.3.1. This approach will minimize development time and effort while enhancing user experience, facilitating seamless adaptation.'		
3.1.3	IT-based NDC implementation tracking system developed, including piloting/user acceptance testing	This output will include the design, development, and deployment of the NDC Tracking System. Activities include system design, coding, testing, deployment, and ensuring the system is fully operational and integrated with existing processes.	OCC PEWA Other relevant ministries and agencies	GGGI as the lead entity with the OCC providing review and sign off.
3.1.4	User manual for IT-based NDC implementation tracking system	A detailed user manual will be developed for the NDC Tracking System, covering system overview, installation, basic and advanced operations, data management, and troubleshooting. Activities include gathering information, writing clear instructions, designing visual aids, reviewing feedback, and finalizing the manual for digital and printed distribution.	OCC PEWA Other relevant ministries and agencies	GGGI as the lead entity with the OCC providing review and sign off.
3.1.5	Training workshops on IT-based NDC implementation tracking system	Training sessions will be organized on the use of the NDC tracking system. Activities include organizing the workshops, capturing detailed notes, collecting feedback, and compiling a comprehensive summary report. The deliverable will include one (1) training workshops. Special outreach will be conducted to encourage the participation of women staff, and feedback mechanisms will be set up to address gender-specific challenges in utilizing the tools effectively. The capacity building strategy (Deliverable 1.2.1) will guarantee sustained creation of capacities on NDC tracking beyond the project period to overcome potential staff turnover.	OCC PEWA Other relevant ministries and agencies	GGGI/ OCC
3.1.6	A financing strategy for long term operation of the system	A financing strategy will be prepared to ensure the long-term operation of the NDC Tracking System. Activities include financial analysis, stakeholder consultations, identifying funding sources, and drafting the strategy document.	OCC Ministry of Finance Other relevant ministries and agencies	GGGI as the lead entity with the OCC providing review and sign off.

Output 3.2. Data collection tools and templates are developed for tracking progress of NDC actions implementation.

Equipping national agencies with tools and templates for tracking the progress of NDC actions implementation is essential for effective monitoring and reporting. This output focuses on developing and providing access to standardized tools and templates that facilitate consistent and accurate tracking. The tools and templates will be developed for Energy (Electricity, Transport and Energy-Other Sector), AFOLU and Waste sectors. Regularly updating these resources to align with international reporting requirements will ensure that Palau's tracking processes remain robust and reliable. The tools and templates developed under this Output will consider the updated NDC, which is forthcoming.

Gender inclusion will be prioritized by promoting female participation in all training sessions related to tracking progress of NDC actions implementation. Training workshop reports will include sex-disaggregated data to ensure balanced representation and monitor diversity in participation.

Code	Deliverable short title	Tentative content and required activities	Relevant stakeholders	Entity in charge of producing deliverable
3.2.1	A scoping paper on NDC tracking data availability and requirements and a review of existing methodologies	The scoping paper will be prepared to assess availability of data and review existing methodologies and indicators for NDC tracking. Activities include data collection, stakeholder consultations, literature review, and drafting the scoping report.	OCC PEWA Other relevant ministries and agencies	GGGI as the lead entity with the OCC providing review and sign off.
3.2.2	Data collection template and protocol for NDC implementation, including QA/QC developed	This output involves the development of standardized templates and protocols for NDC tracking data collection, including QA/QC. Activities include designing templates, defining data collection procedures, and validating the templates with stakeholders.	OCC PEWA Other relevant ministries and agencies	GGGI as the lead entity with the OCC providing review and sign off.
3.2.3	Guidance manual for data collection, calculation and compilation of data	A detailed manual guiding data collection, calculation, and compilation processes for NDC tracking will be prepared. Activities include drafting content, incorporating best practices, and reviewing the manual with experts and stakeholders.	OCC PEWA Other relevant ministries and agencies	GGGI as the lead entity with the OCC providing review and sign off.
3.2.4	Training workshops on NDC implementation tracking including QA/QC	Training sessions will be organized on the data collection and calculation for NDC implementation in line with the use of the IT-based NDC tracking tool. Activities include organizing the workshops, capturing detailed notes, collecting feedback, and compiling a comprehensive summary report. This will include two (2) training workshops.	OCC PEWA Other relevant ministries and agencies	GGGI/OCC

		The training will ensure balanced gender representation among participants and include specific guidance on incorporating gender-disaggregated data and considerations into data collection processes.		
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Output 3.3. *National ministries and agencies have access to tools and capacity to collect data and report on climate finance and support received and required.* Increasing awareness and understanding among national ministries and agencies regarding the reporting requirements for climate support received or required is critical. Appropriate tools and methodologies will be developed to accurately collect data and report on climate finance and support. Furthermore, this output involves conducting workshops and training sessions to familiarize stakeholders with these requirements and ensure compliance. Gender inclusion will be prioritized by promoting female participation in all training sessions. Training workshop reports will include sex-disaggregated data to ensure balanced representation and monitor diversity in participation.

Code	Deliverable short title	Tentative content and required activities	Relevant stakeholders	Entity in charge of producing deliverable
3.3.1	A scoping report on data availability and requirements, data providers and existing methodologies for climate support monitoring and reporting	The scoping report will be developed to assess the availability of data and data providers and review existing methodologies for climate support tracking. Activities include data collection, stakeholder consultations, literature review, and drafting the scoping report.	OCC Ministry of Finance Other relevant ministries and agencies	GGGI as the lead entity with the OCC providing review and sign off.
3.3.2	Data collection template and protocol developed for climate support received and required	Standardized templates and protocols for climate finance and support data collection will be developed. Activities include designing templates, defining data collection procedures, and validating the templates with stakeholders.	OCC Ministry of Finance Other relevant ministries and agencies	GGGI as the lead entity with the OCC providing review and sign off.
3.3.3	Training workshops on climate support	One (1) training workshop will be organized to bring awareness and train relevant stakeholders on the use of the data collection template and protocols developed. Activities include organizing the workshop, capturing detailed notes, collecting feedback, and compiling a comprehensive summary report. The training will ensure balanced gender representation among participants with	OCC Ministry of Finance Other relevant ministries and agencies	GGGI/OCC

		outreach efforts, encouraging the participation of women staff. The capacity building strategy (Deliverable 1.2.1) will support the sustained creation of capacities on climate support tracking beyond the project period to overcome potential staff turnover.		
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Component 4: Monitoring and evaluation Outcome: Project monitoring and evaluation products are delivered.

Output 4.1. *Project M&E is conducted regularly including final evaluations and incorporates gender-responsive indicators and reporting.*

Project activities will be undertaken by the PMU led by Global Green Growth Institute and Palau’s Office of Climate Change under the Office of the President. GGGI will lead overall project coordination and delivery and provide technical review of project outputs. Further details on the project’s governance and the assignment of roles and responsibilities can be found in the section “Institutional arrangements and coordination”, as well as on the project’s workplan (Annex J). Detailed ToR for staff and consultancies’ is available in Annex I.2, which sets out their roles regarding M&E components. The project will kick off with an Inception Meeting, led by the PMU and delivered to all relevant stakeholders. Progress will be reviewed yearly through the Project Implementation Review (PIR) reports, which is the tool used in GEF’s Project and Program Cycle Policy. The purpose of the PIR is to assess project performance, to analyze whether the project is on track, what problems and challenges it encountered, and which corrective actions are required so that the project can achieve its intended outcomes by project completion in the most efficient and sustainable way. The PIR will include a review of the project progress against the project indicators set out in the Project Results Framework (Annex C). The Project Results Framework sets out how success against the indicators would be measured and verified. Gender considerations are a part of the M&E activities, for example, the PIR will also apply the UN Cooperation Framework markers, and review progress on gender-related results. It is the responsibility of the UNEP Task Manager to monitor whether the agreed recommendations are being implemented. In between PIRs, the project team shall prepare and present intermediate internal progress reports (the “Half Yearly Progress Reports”) to update project data and facilitate management. Developments in project execution will be monitored through regular follow-up meetings between the Implementation Agency and the PMU. In line with the UNEP Programme Manual and Evaluation Policy, this project will be subject to a performance assessment (review or evaluation) at mid-point if required, and at the end of the project when it reaches operational completion. These performance assessments will either be management-led Reviews commissioned and managed by the UNEP Task Manager, or independent Evaluations managed by the Evaluation Office. The Evaluation Office will decide whether a management-led Review is sufficient, or whether an independent Evaluation is required. If the project is rated as being at risk or if deemed needed by the Task Manager, he/she may decide to conduct an optional MTR. The review will be carried out using a participatory approach whereby parties that may benefit or be affected by the project will be consulted. Members of the Project Steering Committee will be interviewed as part of the review process and the Task Manager will develop a management response to the recommendations along with an implementation plan. Results of the MTR will be presented to the Project Steering Committee. It would be the responsibility of the UNEP Task Manager to monitor whether the agreed recommendations are being implemented in consultation with the Project Management Unit and the Project Director. In case a management-led Terminal Review (TR) is required, the UNEP Evaluation Office will provide tools, templates, and guidelines to support the Review consultant. The Evaluation Office will perform a quality assessment of the Terminal Review report and a formal validation of the TR performance ratings, which will form a part of the final report document. This quality assessment will be attached as an Annex to the Terminal Review report, validated performance ratings will be captured in the main report. However, if an independent Terminal Evaluation (TE) of the project is required, the

Evaluation Office will be responsible for the entire evaluation process and will liaise with the Task Manager and the project implementing partners at key points during the evaluation. The TE will provide an independent assessment of project performance (in terms of relevance, effectiveness and efficiency), and determine the likelihood of impact and sustainability. It will have two primary purposes: (i) to provide evidence of results to meet accountability requirements, and (ii) to promote learning, feedback, and knowledge sharing through results and lessons learned among UNEP, GEF, executing partners and other stakeholders. The TE will typically be initiated after the project's operational completion. If a follow-on phase of the project is envisaged, the timing of the TE will be discussed with the Evaluation Office in relation to the submission of the follow-on proposal. The draft TE report will be sent by the Evaluation Office to project stakeholders for comment. Formal comments on the report will be shared by the Evaluation Office in an open and transparent manner. The project performance will be assessed against standard evaluation criteria using a six-point rating scheme. The final determination of project ratings will be made by the Evaluation Office when the report is finalized. The evaluation report will be publicly disclosed and will be followed by a recommendation compliance process. The evaluation recommendations will be entered into a Recommendations Implementation Plan template by the Evaluation Office. Formal submission of the completed Recommendations Implementation Plan by the Task Manager is required within one month of its delivery to the project team. The Evaluation Office will monitor compliance with this plan every six months for a total period of 12 months from the finalization of the Recommendations Implementation Plan. The compliance performance against the recommendations is then reported to senior management on a six-monthly basis and to member States in the Biennial Evaluation Synthesis Report. The total GEF contribution for M&E activities (including the Inception Workshop and the Terminal Evaluation) is summarized in Table below. *Table 4. M&E plan*

Type of M&E activity	Responsible Parties	Budget from GEF	Budget co-finance	Time Frame ⁴
Inception Meeting	GGGI	3,000	300	Within 2 months of project start
Inception Report	GGGI	1,500	300	Within one month of the project inception meeting
Measurement of project progress and performance incorporating gender-responsive indicators	GGGI	3,000	300	Annually
Baseline measurement of project outcome indicators, GEF Core indicators	GGGI	3,000	300	Project inception
End-point measurement of project outcome indicators, GEF Core indicators (gender targets)	GGGI	3,000	500	At the operational completion of the project
Monitoring of Environmental and Social Safeguards (ESS) Risks	GGGI	3,000	400	Annually
Project Steering Committee (PSC) meetings	GGGI PSC	4,000	700	Once a year
Reports of PSC meetings	GGGI	1,500	300	Annually, within 1 month after the PSC meeting
Project Implementation Review (PIR) report/ Half-yearly progress report	GGGI	3,000	500	Within 1 month of the end of reporting period, part of reporting routine

Terminal Review/Evaluation	Independent Q/A reviewer	30,000	1,000	Typically initiated after the project's operational completion
	The Independent Evaluation Office (IEO) of the UNEP			
	The GEF Operational Focal Point (OFP)			
	Other stakeholders (CSOs, the private sector, and communities)			
Co-financing report (including supporting evidence for in-kind co-finance)	OCC	3,490	200	Within 1 month of the PIR reporting period, i.e. on or before 31 July
Project lessons learnt report and project results sheet	GGGI	2,000	200	Typically initiated after the project's operational completion
Total		57,490	5,000	

Global Environmental Benefits and/or Adaptation Benefits The global environmental impacts generated by this project are directly related to the implementation of the ETF in Palau. The project supports enhanced reporting and assessments in the areas of national GHG inventories and mitigation, and NDC tracking. It will lead to the development of relevant policy instruments which will inform and guide the formulation of cost-effective project proposals in all four modules of climate change. These initiatives will be in line with the Multilateral Environment Agreement (such as the UNFCCC and Paris Agreement) obligations, national development needs and priorities, as well as the SDGs. At the institutional level, the project will strengthen national coordination frameworks and involve key stakeholders in the implementation of the ETF. The project implementation will directly strengthen the institutional and technical capacity of Palau. This will provide clear roles and responsibilities for the stakeholders involved in ETF, as well as systems for regular and timely data collection by stakeholders. At the environmental level, the project will enable Palau to have a clearer idea of the impact of climate change on its territory and its mitigation. It will identify areas where intervention may result in further co-benefits and support wider national objectives for sustainable development. The ETF will provide better access to climate change information, enabling the development of more inclusive and targeted interventions, which will contribute to global climate efforts. The project will improve gender mainstreaming activities in fundamental elements of Palau's climate change related policies and reports. It will define, design, and propose the necessary institutional arrangements for all the reporting processes to ensure that the capturing and reporting of essential information and data, such as for the NDC, is efficient and science based. At the technical and operational level, the project will strengthen Palau's capacity to implement the ETF through an operational and functional ETF system that will help to ensure high quality GHG data and NDC tracking. Such a strong system will also contribute to improving the design and prioritization of cost-effective project proposals to reduce GHG emissions. The project will also strengthen the capacity of national experts on data collection and analysis, QA/QC, GHG inventory methodologies, co-benefits analysis and mitigation action monitoring tools. **Stakeholder Engagement** Below is an overview of key stakeholders relevant to the Palau CBIT project, outlining their roles, descriptions, and potential areas for partnership and engagement. *Table 5. Stakeholder engagement*

Category	Stakeholder	Stakeholder description	Proposed partnership and engagement
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Government	Office of Climate Change (OCC), Office of the President	OCC's mission is to enhance Palau's resilience to the impacts of climate change and disasters.	As a project executing entity of the proposed CBIT project, the OCC will provide technical oversight of the project, working closely with GGGI, as a project management and technical support partner, and other relevant stakeholders.
Government	Office of Project Management (OPM), Office of the President	The core mandate of OPM is to design, monitor and evaluate projects in support of economic, social, and environmental development objectives.	The department is a data provider for the climate action and support tracking component (Component 3). They will also be involved in the coordination of the CBIT project and other projects led by different development partners.
Government	National Climate Change Coordination Committee (NCCCC)	The NCCCC consists of members from various government ministries. It has sector-specific working groups called National Climate Change Working Groups (NCCWG). These groups also conduct vulnerability and risk assessments and identify priority measures for the Palau Climate Change Policy (PCCP).	The NCCCC will play a key role in all three components of the CBIT project as a key stakeholder across the GHG inventory, climate action tracking and support.
Government	National Environmental Protection Council (NEPC)	NEPC coordinates national efforts and allocates resources to address environmental challenges such as climate change, biodiversity loss, and land degradation, as well as other internationally recognized environmental initiatives. NEPC coordinates the implementation and monitoring of the National Environmental Management Strategy. The NEPC serves as a formal body for inter-agency collaboration, bringing together representatives from various government departments to coordinate environmental protection.	NEPC will play a key role in establishing and strengthening institutional mechanism and coordination between various ministries and agencies for the Palau's transparency efforts (Component 1).
Government	Environmental Quality Protection Board	Established in 1981 under the Environmental Quality Protection Act (Title 24 PNCA), the Environmental Quality Protection Board (EQPB) is a semi-autonomous agency tasked with protecting and conserving Palau's environment while promoting	The department is a data provider for the GHG inventory – waste and IPPU sector (Component 2) and climate action and support tracking (Component 3).

		sustainable economic and social development. The EQPB is authorized to enforce regulations on earthmoving, water quality, wastewater disposal, solid waste management, pesticides, public water supply systems, environmental impact statements, air pollution control, and ozone-depleting substances.	
Government	Palau Energy & Water Administration (PEWA), Ministry of Finance	PEWA acts as an international contact point and represents Palau in international energy meetings and serves as the project management unit for renewable energy and energy efficiency projects in Palau. The PEWA, in collaboration with the Palau Public Utilities Corporation (PPUC), are responsible for the management, implementation and maintenance of new energy projects and infrastructure and ensure that all energy projects are aligned with the objectives of the Palau National Energy Policy (PNEP) adopted in 2010.	The PEWA is the focal point for NDC implementation, monitoring and tracking. It is currently leading the NDC updates work. It is relevant for NDC implementation tracking support work and institutional arrangements (Component 1 and 2).
Government	Office of Planning and Statistics (OPS), Ministry of Finance	OPS is the authority to collect, compile and disseminate Palau's statistical data. The OPS is responsible for data sharing and coordination with a variety of agencies in Palau.	OPS is a key data provider of statistics for the GHG inventory (Component 2) and has project financing and tracking experience and data relevant to climate action and finance tracking (Component 3).
Government	Office of Palau Automated Land and Resource Information Systems (PALARIS), Ministry of Finance	The Office of Palau Automated Land and Resource Information Systems (PALARIS) is responsible to provide ongoing national spatial data support with the mandates to develop and maintain geographic information, technology, data, and services for use by national agencies, state governments, and the public; and to serve as Secretariat to the National Environmental Protection Council (NEPC).	PALARIS is a data provider for spatial data relevant to mitigation and adaptation climate action tracking as well as provides data for vulnerability assessment (Component 3).
Public Corporation	Palau Public Utilities Corporation	The Palau Public Utilities Corporation (PPUC) is a public entity responsible for managing and operating the electricity generation and distribution and the water PPUC oversees daily operations	PPUC's role is crucial in providing accurate and up-to-date data on energy consumption, water usage and wastewater generated. PPUC will be a

		and maintenance of these utilities supply.	relevant sector expert and data provider across all project components.
Government	Ministry of Agriculture, Fisheries, and the Environment (MAFE)	The MAFE is the ministry that is responsible for managing and protecting the country's natural resources. It has key role in promoting sustainable agricultural practice, oversee the management of marine resources including fisheries, and safeguarding Palau's environment. MAFE's efforts in data collection and resource management are essential for climate transparency and informed decision-making.	Data provider and sector expert for agriculture including livestock, and marine activities and resources, including fishing vessels. Relevant for all project components, and this stakeholder will be included for consultation and project delivery for all components.
Government	Palau National Energy Committee	Palau National Energy Committee was formed on 10th Aug 2017 under Presidential Executive Order No. 403. The main role of the Palau National Energy Committee is to support Palau Energy Administration in its effort to implement the Palau Energy Act and achieve Palau's renewable energy goals, particularly Palau's NDC.	Energy sector expert with a pivotal role in the formalization of the institutional arrangements and in progress reporting in the energy sector (Component 1).
Civil Society	Non-Governmental Organizations (NGOs), Civil Society Organizations (CSOs), Community and women groups	As part of the thematic working groups under the NC3, these groups can provide information on disaster response and other relevant initiatives in rural and agriculture development. NGOs/ CSOs, such as Belau Association of Non-Governmental Organizations, also known as BANGO), women groups (such as Ekei Women's Organization) and youth groups (such as Ngermid Youth Organization) have been identified as potential stakeholders to contribute to the project.	These stakeholders will be engaged in knowledge sharing and awareness raising activities (Component 1) and for consultation for providing data for climate actions reporting in (sub) sectors not covered by government and public entities (Component 3). This group is included as a project steering committee and will be informed of project progress and provide any necessary guidance to align with national priorities.
Private sector	Palau Chamber of Commerce	The Palau Chamber of Commerce (PCOC) is a nonprofit organization established in 1992 to promote and advocate for businesses and business opportunities; its core objectives are: to create jobs and to grow the economy of Palau.	The PCOC is a key focal point for engaging with businesses in Palau, who will be engaged to assist in providing data. The PCOC will be involved for consultation and capacity training activities.

Academia	Academic Institutions	Specialized centers within regional academic institutions, such as the University of South Pacific, can leverage their capacity-building and training programs to support the project.	The project will explore the possibility of engaging an education institution (such as the USP) to access capacity building training program (Output 1.4). Furthermore, the MRV curriculum, developed by USP for Fiji CBIT, will also be offered regionally.
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Knowledge Management Knowledge management and the exchange of best practices are central components of Palau's CBIT project, directly integrated into project outcomes and outputs, which will be captured in the Communication and Knowledge Management Strategy delivered under Component 1. The project knowledge products including training materials and policy advisory outputs will incorporate gender sensitivity, using inclusive language and engaging both male and female contributors and reviewers of knowledge products to ensure diverse perspectives. This CBIT project will develop essential tools, protocols, and guidelines for data collection in line with the Modalities, Procedures, and Guidelines (MPGs) established under the Paris Agreement. Component 1 will strengthen the Enhanced Transparency Framework (ETF) through a centralized data collection and sharing mechanism, promoting better information exchange between institutions and safeguarding institutional memory, even amidst staff changes. Through activities such as training and workshops, the project will build capacity within line ministries and foster knowledge sharing across stakeholders, including government ministries, private sector actors, and civil society. Lessons learned will be identified and shared during the M&E phase. The CBIT project will create knowledge through the development of protocols, guidelines, and indicators for climate change transparency. The approach developed is based on UNEP's experience in developing GEF projects (particularly, CBIT projects), considering a two-fold approach. On one side, the project aims to establish full-fledged knowledge management for the transparency management system, as data and knowledge are the fundamental part of the registry. On the other hand, the project will have its own (i.e., internal) knowledge management approach to ensure that the project's actions are informed by previous experiences, and their outputs well documented for both on-going and future efforts. To maximize impact, the project will utilize established online platforms—such as the Palau's government website and the Pacific Climate Change Portal—for disseminating outputs, including reports, training materials, and press releases. Knowledge products will also be shared through the Regional Pacific NDC Hub, the GGGI website, and circulated across Palau. This broad distribution strategy aims to increase accessibility, transparency, and collaboration both nationally and regionally. The project will also emphasize peer exchange and knowledge sharing, which are highly valued in the Pacific, through both national and regional platforms. Collaboration with global transparency platforms will enhance international knowledge exchange, while training sessions will be complemented by exchange visits, and participation in international conferences and workshops, providing stakeholders with opportunities to engage with global best practices and learn from international experts. By systematically documenting and sharing experiences, the CBIT project will ensure sustainable knowledge management, continuous learning, and adaptation, ultimately strengthening climate transparency and resilience in Palau and contributing to broader regional and global climate goals. **Innovativeness, sustainability, and potential for scaling up** Innovativeness The project adopts an innovative approach that integrates extensive stakeholder consultations and assessments of capacity needs and baseline activities to establish a foundation for monitoring progress. By enhancing climate transparency, the project directly contributes to SDG 13 promoting urgent action to combat climate change and its impacts, serving as a model for future initiatives in the country and region. The project represents a paradigm shift from ad-hoc or fragmented approaches to a comprehensive and integrated strategy, ensuring long-term sustainability and effectiveness. The project's institutional strengthening arrangements will be tailored to domestic needs and priorities whilst ensuring best practice approaches to transparency through effective stakeholder engagement and management. It emphasizes a transition from reliance on external expertise to building domestic capacity and ownership, fostering self-sufficiency in climate transparency. The proposed CBIT project will facilitate scientific innovation through investment in tools, training, and systems to update and modernize the

measurement and monitoring capacities of Palau's institutions. This includes shifting from traditional data management practices to modernized IT-based systems by establishing an IT-based database management system to ensure the accuracy and effective management of all climate data and information as part of institutional records. Ensuring transparency in data sources, definitions, methodologies and assumptions will build trust among countries and stakeholders, reinforcing the project's commitment to enhanced accountability. The climate data and tracking elements of the ETF will help to access previous records, easily reproduce estimates and ensure credibility. The project activities will improve the quality and transparency of the national GHG inventory over time which in turn will help establish different indicators, in an accurate way, for the monitoring of mitigation actions in main sectors of the economy.

Sustainability The main goal of this project is to set up a sustainable Enhanced Transparency Framework (ETF) that enables Palau to consistently monitor, report, and verify actions related to mitigation, adaptation, NDCs, and support needed and received. This will be achieved by building simple, transparent systems that a small team can easily manage. The CBIT project will begin by identifying capacity needs, which will be addressed by a team of national and potentially international experts who will train local experts to carry out the required tasks independently. Sustainability will be ensured by three key steps: clearly defining roles and responsibilities, establishing a straightforward process for preparing national reports, and creating a financing strategy to maintain the ETF system including IT-based tools. To support sustainable data collection, clear templates, timelines, and agreements with data providers will be developed to ensure consistency. All tools introduced during the project will be evaluated for their durability to align with future reporting needs, minimizing the need for new tools down the line. Training materials will be developed to ensure adequate knowledge transfer for newly recruited staff. A financing strategy, to be incorporated in the capacity development strategy, and a financing strategy for long-term operation of IT-based tools will further contribute to sustained country ownership beyond the project as well as identify areas of post-project financing mechanism. To ensure strong country ownership, the project will closely involve the Office of Climate Change (OCC) and other key stakeholders throughout its implementation. Capacity building will be a central focus, equipping OCC staff and personnel from relevant ministries with the necessary skills and expertise for effective ETF reporting. This will include training on relevant tools and methodologies, and the development of training materials to ensure knowledge transfer for new staff. The project promotes an inclusive and participatory approach to encourage ownership and awareness within relevant institutions. By increasing the involvement and accountability of multiple stakeholders in decision-making and monitoring, formalizing the framework and procedures for data collection and reporting, and identifying potential national budget support, the project aims to secure long-term sustainability. The CBIT project will also enhance institutional connections and ensure a steady flow of high-quality data and feedback. Additionally, training materials and project documents will be accessible online for ongoing reference.

Potential for scaling-up The lessons learnt from the CBIT project will be shared on the CBIT Global Coordination Platform and other relevant platforms such as Regional NDC hub for the benefit of other similar SIDS countries, facing similar challenges in strengthening transparency systems and capacities. The project outputs and the capacity built will be used to support other countries in the region and thereby offer opportunities for scaling up and replicating activities in SIDS countries with similar transparency and reporting needs. The CBIT project outputs can be built upon for use in other sectors and sustainable development areas within Palau covering other SDGs and not just climate (SDG 13) e.g., air pollution and health, water, waste and resource efficiency. In practice, this means that the deliverables and products generated by this project – data collection templates and tools, stakeholder consultation, data management and documentation - will contribute to actions undertaken in various sectors and challenge areas at both national and subnational level. The implementation of an ambitious and well-integrated and tracked NDC with associated clarity on support needs and support provision will facilitate the development of improved understanding and flows of information to tackle other environmental and social development issues such as ecosystem development, nature-based solutions, education, gender and health. The CBIT project will enhance countries' capacities to collect and document data on climate change impacts and adaptation. This data can significantly contribute to the UN's One Health agenda, which emphasizes the interconnectedness of human, animal, and environmental health. The One Health Joint Action Plan explicitly calls for integrating the environment into health considerations. This aligns well with the data collected for UNFCCC reporting, as climate change impacts directly influence environmental factors that affect human and animal health. Furthermore, the CBIT project also exhibits synergy with the Global Biodiversity Framework (GBF). Data collected for inventory purposes within the Agriculture, Forestry and Other Land Use (AFOLU) sector, for example, can provide valuable information for reporting on biodiversity

loss. The CBIT project will support scaling up climate finance received in Palau, enabling more mitigation projects. The existence of specific monitoring metrics and MRV systems has become increasingly required by funding organizations at the time of providing grants and loans. The availability of the hereby developed monitoring tools and capacities will generate an additional advantage to the country while making it possible to access climate finance sources, such as the Green Climate Fund, that require capacities to clearly estimate and track GHG and other non-GHG indicators. Moreover, through the outcomes of this project, Palau will obtain the necessary tools to propose real, feasible, and more ambitious adaptation and mitigation targets in the medium and long-term. Project Cost-Effectiveness Expanding Palau's capacities to collect, manage, analyze, and make informed decisions based on the accurate climate data across all sectors, becomes increasingly important. The cost of the project, resources, and efforts would then be marginal to all the benefits across multiple sectors with multiple actors participating and advancing toward sustainable development. This is in line with the purpose of the ETF, the ultimate goals and objectives of the Paris Agreement as well as long-term direction of climate transparency in the country. Leveraging UNEP's expertise and extensive experience implementing over 100 CBIT and related climate transparency projects worldwide, this project benefits from cost-effective, high-quality technical support tailored to meet Palau's specific needs. UNEP's role as the lead UN agency on environmental issues ensures that the project incorporates proven methods and lessons learned from similar projects, enabling efficient capacity building and sustainable institutional strengthening. By engaging UNEP's well-established network and resources, the project reduces redundancy, focuses on local expertise, and enhances Palau's ability to generate and apply climate data for informed policy-making, resulting in a robust, enduring transparency system under the Enhanced Transparency Framework (ETF). Office of Climate Change (OCC) is the central authority for all climate-related actions within Palau. This office acts as a bridge between different organizations, ensuring a unified approach to climate change issues at the national level. The OCC has the lead role in implementing the Palau's Climate Change Policy. As a dedicated technical support partner, GGGI, an intergovernmental organization established in 2012, brings invaluable expertise and a strong, established presence across the Pacific region. GGGI's ongoing collaboration with Pacific nations, including Palau, allows it to provide tailored support that aligns with regional priorities and enhances national capacity for climate action. Drawing from its experience in implementing climate projects across the Pacific, GGGI offers insights into best practices for transparency, MRV, and NDC implementation. The United Nations Environment Programme (UNEP) and the Global Green Growth Institute (GGGI) signed a memorandum of understanding (MoU) in 2014 to support each other to accelerate a global shift towards a low-carbon, climate-resilient, green economy. UNEP, as the implementing agency for the Global Environment Facility (GEF), and GGGI, as the technical partner, are currently collaborating on implementing a CBIT project in Fiji. They are also developing similar projects for six other countries in the region. The combined expertise and experience from these projects will contribute to efficient and cost-effective project implementation.

Institutional Arrangement and Coordination with Ongoing Initiatives and Project.

Please describe the Institutional Arrangements for the execution of this project, including financial management and procurement. If possible, please summarize the flow of funds (diagram), accountabilities for project management and financial reporting (organogram), including audit, and staffing plans. (max. 500 words, approximately 1 page)

B4. Institutional arrangement and coordination with ongoing initiatives and project

The project will be funded by the Global Environment Facility (GEF) with the United Nations Environment Programme (UNEP) serving as the Implementing Agency (IA). UNEP will be responsible for delivering GEF project cycle management services, including project approval and oversight. The project will be executed by the Office of Climate Change (OCC) in collaboration with the Global Green Growth Institute (GGGI), which will provide project management and technical support.

UNEP will oversee the financial disbursements and ensure that the project aligns with GEF requirements and standards. The OCC will appoint a National Project Director to oversee the project implementation, ensuring it aligns with government and national priorities. The National Project Director will monitor project's

progress, ensure milestones are achieved, and facilitate support from various government ministries and departments. This role is crucial for navigating bureaucratic processes and integrating the project with national strategies.

GGGI will serve as the project management and technical executing partner. They will assist the National Project Director with management and technical expertise. GGGI has extensive experience in developing and executing MRV projects regionally and globally, making them a strategic partner for this project. Additionally, a MoU will be signed between UNEP, GGGI, and OCC to outline each partner's roles and responsibilities. UNEP will also sign a Project Cooperation Agreement with GGGI, through which project funds will be channeled for execution.

The project's staffing plan includes the Project Manager, National Project Coordinator, and other supporting staff, ensuring a comprehensive approach to project management and execution as well as efficient use of resources. This structure will ensure the project's effective execution, compliance with policy requirements, and alignment with Palau's national priorities.

A Project Steering Committee (PSC) will be established to guide the project and convene at least once a year. The PSC will supervise and provide overall guidance to the executing agency and its management team.

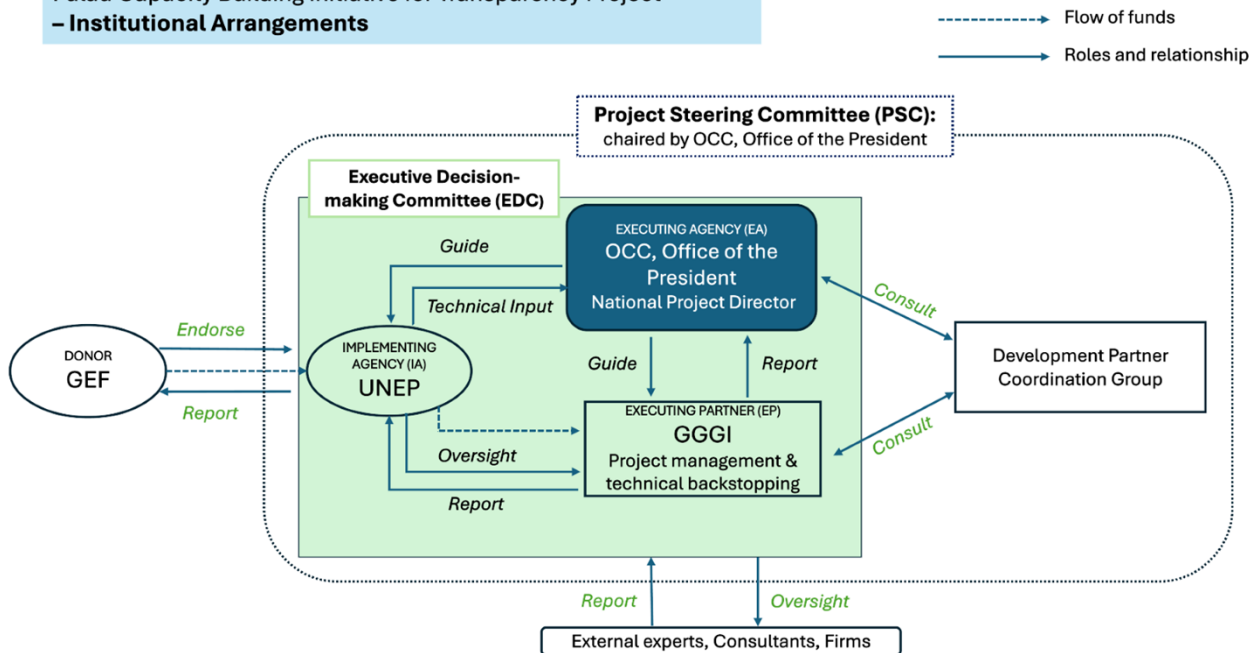
The PSC will consist of representatives from:

- Office of Climate Change, Office of the President, as Secretariat for PSC
- GEF Operational Focal Point (National Environment Coordinator of NEPC)
- Office of Project Management (OPM), Office of the President
- National Environmental Protection Council (NEPC)
- National Climate Change Coordination Committee
- Office of Planning and Statistics (OPS), Ministry of Finance
- Palau Energy & Water Administration
- Palau Public Utilities Corporation
- Office of Palau Automated Land and Resource Information Systems
- Ministry of Natural Resources, Environment, and Tourism
- National Emergency Management Office
- Palau National Energy Committee
- Ministry of Community and Cultural Affairs
- NGOs, CSOs, and development partners
- United Nations Environment Programme (UNEP)
- Global Green Growth Institute (GGGI)

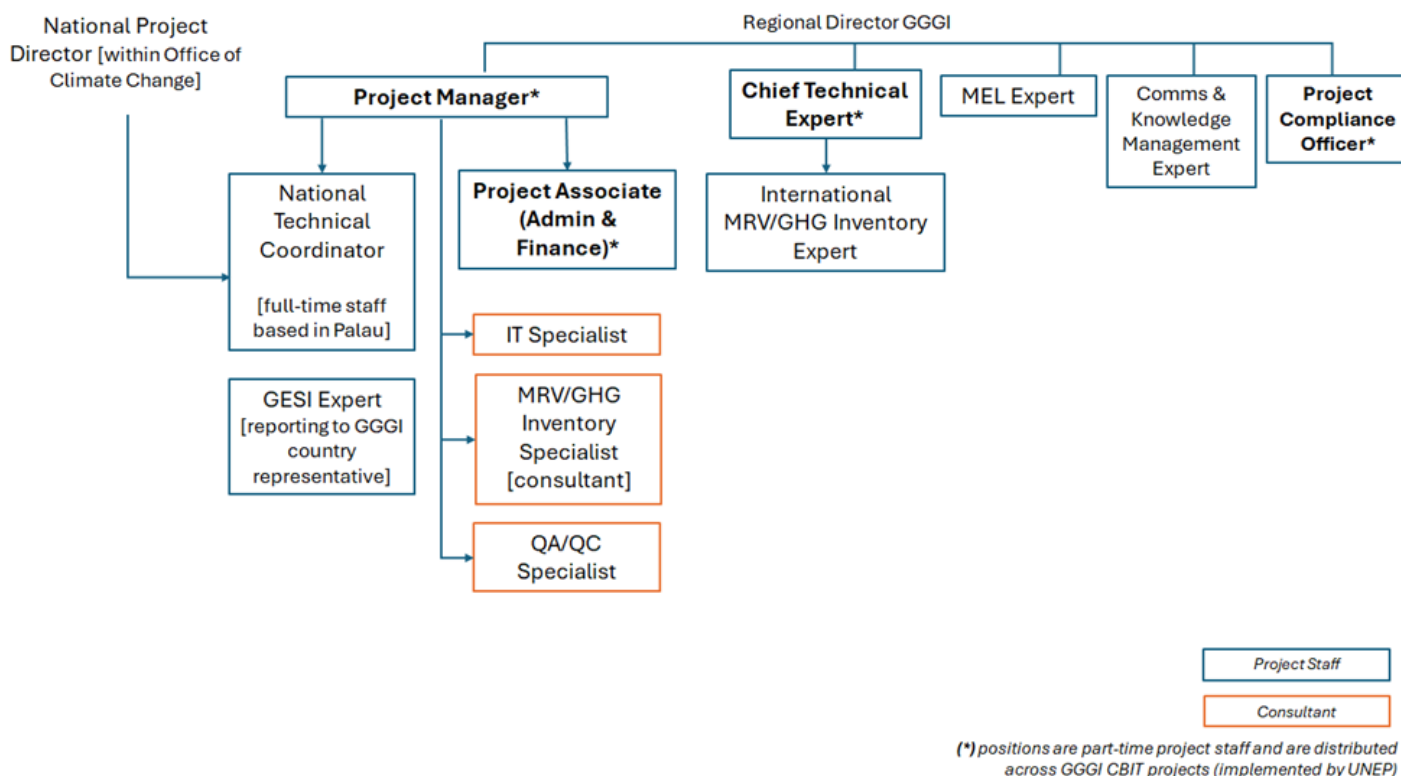
A Development Partners Coordination Group will convene annually to facilitate information sharing and coordinate activities among development partners. This group will serve as a hub for exchanging information, identifying potential synergies, and avoiding duplication of initiatives.

An Executive Decision-Making Group will be established to coordinate operational requirements between the National Project Director, GGGI country representative (or regional director where no country representative is located), and UNEP Task Manager. This group will provide strategic guidance and decisions on operational issues.

Palau Capacity Building Initiative for Transparency Project
– Institutional Arrangements



GGGI will form a Project Management Unit (PMU) to facilitate the day-to-day execution of activities in close collaboration with OCC. The Project Manager will manage the PMU with guidance from the Regional Project Director and GGGI Senior Management. Additionally, a National Technical Coordinator, who will be embedded within the Office of Climate Change (OCC) to contribute to technical delivery, will also be a member of the PMU. As multiple GEF CBIT projects are being developed in the region in a simultaneous time frame, the project manager will be a shared resource. These arrangements have been described further in the diagram below, highlighting the structure of the PMU and cases where positions will be shared across CBIT projects which would be implemented by UNEP and technically executed by GGGI in the region:



The flow of funds will follow a structured path from GEF to UNEP, and subsequently to GGGI for project execution. Financial management will be transparent, with regular audits and financial reporting to ensure accountability.

As mentioned earlier, UNEP as the Global Environment Facility (GEF) implementing agency, and GGGI as the technical executing partner is currently implementing a CBIT project in Fiji and is developing CBIT projects for 6 other countries in the region including this project. The experiences from these partnerships will be channelized during the execution of this project.

UNEP has partnered with several ministries and departments of Palau in the past. Some of the ongoing collaborations include GEF ID 10907 (Facilitating biodiversity conservation by enhancing aquaculture policy, planning, management, and production) and GEF ID 5208 (R2R: Advancing Sustainable Resources Management to Improve Livelihoods and Protect Biodiversity in Palau). But this will be the first collaboration with the OCC under the climate change focal area. These country collaborations will be useful to take the project execution smoothly.

Will the GEF Agency play an execution role on this project?

No

If so, please describe that role here and the justification.

GEF Agency will have no role in Execution.

Also, please add a short explanation to describe cooperation with ongoing initiatives and projects, including potential for co-location and/or sharing of expertise/staffing (max. 500 words, approximately 1 page)

There are four key ongoing initiatives and projects that will be important for the CBIT project to coordinate with:

Third National Communication

NDC Update

National Adaptation Plan

Strengthening institutional capacity to access climate financing in Palau

The CBIT project will formalize the data management system for GHG inventory building on the data being collected for preparing the GHG Inventory under the NC3. The assessment of MRV system carried on under the NC3 will provide the basis to develop the MRV system for tracking NDC implementation.

Palau is an active participant in the international CBIT community through the CBIT – Global Support Programme and Transparency Networks. By leveraging these networks, Palau’s CBIT project will gain access to a wealth of resources, including webinars, trainings, knowledge products, and opportunities for knowledge exchange with other countries. This will enhance Palau’s capacity to meet its transparency obligations under the Paris Agreement.

At the project inception meeting at the beginning of the project, representatives of on-going GEF-financed projects in Palau (such as NC3) and GCF supported projects (NAP and Strengthening institutional capacity to access climate financing project) will be invited to all project events, to share experience and lessons learned in similar climate change related undertakings.

Table 6. Cooperation with ongoing initiatives and projects

Project	Objectives and relevance to this project	Intended coordination and synergies
Third National Communication to the UNFCCC	Develop a GHG inventory, collect, compile and report on progress with mitigation, adaptation, support needed and received. Also involves describing related institutional arrangements and developing a data flow for this information. This project directly supports the creation of institutional arrangements and reporting mechanisms for the GHG inventory, NDC, and finance and support tracking which are central to the CBIT project’s goals. The Project will also generate relevant data for the national transparency system and identify key data sources.	CBIT will integrate any governance structures, expertise, data flows, systems and tools or communication channels related to the GHG inventory, climate action or support data and methodologies. The compilation of the NC3 will provide as data flow and network of stakeholders to build on. The CBIT Project will review these and formalize any mandates developed for the NC3 project, as well as identify and address any gaps identified by the NC3 process.
NDC Update	Update mitigation and adaptation targets, model and collect NDC tracking data. This project supports the tracking and updating of NDCs, which will involve data collection, modelling, compilation and stakeholder coordination for the GHG inventory, as well as climate action and support. There is significant	CBIT will integrate any governance structures, expertise, data flows, systems and tools or communication channels related to the NDC data and methodologies. This could include GHG time series emissions or projections, climate actions, policies and measures,

	overlap in terms of the systems, tools and methodologies developed under CBIT Component 3 and this project.	scenarios, updated targets, or NDC financing plans.
Strengthening institutional capacity to access climate financing in Palau	Strengthen institutional and human capacities for climate finance mobilization, data collection and tracking. This project supports capacity building and institutional strengthening related to climate finance and support tracking. This aligns with CBIT Project Component 3 on climate action and support tracking for ETF.	Any climate finance governance structures, expertise, data flows, systems and tools or communication channels developed will be reviewed and further developed under Components 1 and 3 of this CBIT project.
Support for Formulation of Palau's First National Adaptation Plan (NAP)	Enhance adaptation planning and implementation, strengthen governance, improve data management, engage the private sector, and increase adaptation finance. The focus on data management and adaptation planning complements CBIT's efforts in enhancing transparency and reporting systems, particularly for adaptation related NDCs and adaptation finance (Component 3).	Any climate adaptation governance structures, expertise, data flows, systems and tools or communication channels developed will be reviewed and further developed under Components 1 and 3 of this CBIT project.
CBIT – Global Support Programme	Promote the sharing of knowledge and expertise, and provide assistance and training to increase transparency in climate initiatives and policies. Enhance GHG inventory management system and NDC tracking capabilities. Collaborate and learn; leverage technical assistance; synchronize capacity building and training activities.	The Palau CBIT project will collaborate with CBIT – Global Support Programme for learning and training opportunities and to leverage technical assistance.

Core Indicators

Indicator 11 People benefiting from GEF-financed investments

	Number (Expected at PIF)	Number (Expected at CEO Endorsement)	Number (Achieved at MTR)	Number (Achieved at TE)
Female		35		
Male		35		
Total	0	70	0	0

Explain the methodological approach and underlying logic to justify target levels for Core and Sub-Indicators (max. 250 words, approximately 1/2 page)

The direct beneficiaries of this project include the Office of Climate Change under the Office of the President and relevant divisions within OPM, along with other government ministries identified as key stakeholders earlier in the proposal. These ministries will directly benefit from the project's outputs and capacity-building initiatives. A target group of 70 beneficiaries (35 women and 35 men) is projected.

These beneficiaries encompass individuals working within government institutions who are responsible for preparing key reports, such as the National Greenhouse Gas Inventory and tracking Nationally Determined Contributions (NDC) progress. Additionally, the project extends its impact to stakeholders outside the government, including academia, NGOs, private sector representatives, and community organizations.

The project places strong emphasis on gender responsiveness, promoting greater participation of women and girls in areas such as climate change, disaster preparedness, agriculture, and natural resource management. Gender-disaggregated data will be collected to track and evaluate participation rates, ensuring that the project fosters meaningful female representation and equity in decision-making related to climate action and sustainability.

Key Risks

	Rating	Explanation of risk and mitigation measures
CONTEXT		
Climate	Moderate	Risk: Climate change impact in Palau could adversely affect this projects objective and output in several ways: 1. Disrupt data collection and data storage systems and infrastructure. The extreme weather and sea level rise and swell waves could impact the infrastructures hosting the data collection, management and storage system built by the project and causing a system disruption and loss of data. 2. Adversely affect capacity building activities. Training activities, workshops and meeting could be adversely impacted by climate events which could disrupt the equipment and hinder participants and stakeholders' mobility. 3. Change priorities of project's stakeholders. When a vulnerable country is impacted by extreme climate change effects, political priorities and investors interests and co-financing availability might shift. This might adversely affect the outputs of the CBIT project, since the latter targets institutions and needs political attention and interest to be successfully implemented. Mitigation strategy: To address the climate risks described above, the project has considered the following mitigation actions: 1. For the data systems generated by the project, and the storage of this data, the project will design resilient systems able to withstand the threats posed by climate change, including extreme rainfall, storm surges, and damaging winds. This

		includes storing data on a cloud outside of Palau, ensure to store project documents during the course of the project in shared cloud folders, etc. 2. The project will ensure the safety of the personnel. When activities need to be postponed due to warnings, the safety and integrity of the people will always be a priority, and the project will only return in its course when safety can be mentally and physically assured. For capacity building activities, online options will be preferred when possible, to save resources for travel as a default position in the project. This approach helps limit possible adverse effects of extreme climate events. For those capacity building activities which need to take place in person, they will be planned outside the storm season. 3. To arise and maintain political and stakeholders' attention, the project activities will build awareness on the importance of NDC targets and of having a GHG inventory system and ensure the engagement of relevant institutions by establishing regular communication among sectoral institutions through working groups, while the Project Steering Committee will serve to increase the buy-in by high level officials.
Environmental and Social	Low	As per the Safeguards Risk Identification Form (SRIF) included in the proposal, this project poses a low risk. These risks, however, will be monitored annually by the executing agency to identify and mitigate risks as needed.
Political and Governance	Low	Risk: Political change or change of personnel could significantly affect project support and continuity. Mitigation strategy: The development of the institutional arrangements should include high level political engagement. This would help to build trust and support for the project. The PSC and the NPD will be the key actors in the implementation structure to monitor this risk and ensure that the project remains aligned with national priorities.
INNOVATION		
Institutional and Policy	Low	Risk: Limited capacity of national institutions to manage and sustain new MRV systems. Mitigation Strategy: Global Green Growth Institute will be providing necessary project management and technical support. External expertise will be engaged as needed to facilitate project delivery. From a long-term perspective, the capacity building programs under the project will generate a pool of skilled resources that can cater to the requirements of the ETF.
Technological	Low	Risk: Complexity of new data systems (GHG Inventory and NDC tracking) leads to implementation delays or operational issues. Mitigation strategy: The scoping phase will focus on core functionalities needed to avoid overly complex solutions. An agile approach to software development is recommended with extensive testing and piloting at each stage of development. There will also be extensive training and technical support to ensure smooth implementation.
Financial and Business Model	Low	Risk: Potential uncertainties in sustained funding for long-term transparency initiatives, reliance on external financing and challenges in securing additional

		resources post-project Mitigation strategy: A financing strategy to maintain the ETF system will be developed, aiming to integrate it into national budget allocations gradually. Leveraging UNEP and GGGI's network may open additional funding avenues and partnerships to support long-term project sustainability.
EXECUTION		
Capacity	Moderate	Risk: Staff turnover and loss of technical capacities Mitigation strategy: The project will develop capacity building resources and plan to facilitate sustained capacity and institutional memories to overcome the loss of knowledge through staff turnovers. The project will also explore utilizing the existing MRV course and training opportunities offered in the region.
Fiduciary	Low	Risk: Ineffective management of project funds and financing reporting requirements Mitigation strategy: The project will be executed by GGGI managing the flow of funds and responsible for financial reporting. GGGI has put in place sound financial compliance mechanisms, regulations and tools.
Stakeholder	Moderate	Risk: Insufficient participation of key government institutions Project mitigation strategy: The project will support key government institutions in understanding their roles in the GHG inventory and reporting requirements, building their capacity throughout implementation.
Other		n/a
Overall Risk Rating	Low	Overall, the project risks identified present a low level of risks to project delivery. The project executing agencies will actively assess potential risks and seek solutions to mitigate them.

C. ALIGNMENT WITH GEF-8 PROGRAMMING STRATEGIES AND COUNTRY/REGIONAL PRIORITIES

Explain how the proposed interventions are aligned with GEF- 8 programming strategies and country and regional priorities, including how these country strategies and plans relate to the multilateral environmental agreements.

For projects aiming to generate biodiversity benefits (regardless of what the source of the resources is - i.e., BD, CC or LD), please identify which of the 23 targets of the Kunming-Montreal Global Biodiversity Framework the project contributes to and explain how.

Confirm if any country policies that might contradict with intended outcomes of the project have been identified, and how the project will address this. (max. 500 words, approximately 1 page)

GEF-8 alignment

The CBIT project has been designed to achieve expected benefits through three GEF Strategy 2020 influence models: (i) Transforming policy and regulatory environments; (ii) strengthening of institutional capacity and decision-making processes; and (iii) convening multi-stakeholder alliances.

The GEF-8 Climate Change Focal Area seeks to support developing countries to make transformational shifts towards net-zero GHG emissions and climate resilience development pathways. Its objectives are:

1. Promote innovation, technology transfer, and enabling policies for mitigation options with systemic impacts.
2. Foster enabling conditions to mainstream mitigation concerns into sustainable development strategies.

This CBIT project aligns with these objectives by:

Strengthening national institutions for transparency-related activities in line with national priorities

To achieve this, the transparency system will be incorporated into national coordination entities in charge of development planning activities in Palau, and integrating reports from the climate transparency system will be used in the evaluation mechanism of the leading coordinating entities. Additionally, institutional frameworks will be strengthened to integrate long-term planning with the transparency system, ensuring alignment with Palau's regional and international reporting commitments.

The CBIT project will provide tailored capacity-building to Palauan institutions. This will foster stakeholder involvement in adopting the transparency system and guarantee its effective use in decision-making across all sectors and at every level of governance. Key stakeholders will acquire enhanced technical expertise and resources through the national capacity building program.

Providing relevant tools, training, and assistance for meeting the provisions stipulated in Article 13

Technical tools and knowledge are needed to periodically handle large amounts of data that need to be classified, analyzed, summarized, checked, and archived. The CBIT project will therefore establish and refine procedures, tools, protocols, and guides to enhance the national transparency system in Palau to meet the requirements of the ETF. This CBIT project aims to make the climate transparency system fully operationalized for climate data and as a knowledge platform, where data providers and decision makers can access the climate data and the reports produced. To ensure the successful implementation of the project's procedures, tools, protocols, and guidelines, capacity building activities will be conducted. These activities will equip government officials and other key stakeholders in Palau with the necessary knowledge required to effectively manage the developed tools and apply them to the related aspects of the national transparency system.

Assisting in the improvement of transparency over time

Component 1, including the development of capacity building strategy, are aimed primarily at improvement in the transparency system overtime. The activities will focus on long-term capacity building.

Furthermore, the CBIT project will enable Palau to be an active partner of the CBIT Global Coordination Platform and other cooperation networks by sharing lessons learned and best practices and actively participating in CBIT workshops on a continuous basis. This will include sharing the captured and

documented variety of data, information, and knowledge generated by the CBIT project activities. Sharing lessons learned and experiences through the global platform will ensure that Palau CBIT project is aligned with other national, regional, and global transparency initiatives and assist in the improvement of transparency over time.

Relevance to the UNEP Programme of Work

This project is part of UNEP's Programme Coordination Project for Science and Transparency, which is a logical link between the higher-level structuring of the mitigation parts of UNEP's 2022-2025 Medium-Term Strategy and Programme of Work and UNEP's individual projects (such as this one).

This project is aligned with UNEP's Medium-Term Strategy 2022- 2025 – Outcome 3: State and non-state actors adopt the ETF arrangements under the Paris Agreement, by helping countries to meet their transparency and other reporting obligations. UNEP's Global Support Programme (GSP) provides a framework for a coordinated approach to deliver science-based technical assistance for countries to meet their transparency and other reporting obligations, as well as deliver on the adaptation and mitigation goals of the Paris Agreement. By providing solid science and reinforcing capacities for climate information, early warning, reporting, and transparency, the GSP also serves to initiate actions that can induce policy changes needed for climate stability. The project will be supported by this global network of practitioners and key stakeholders national, international, public, and intergovernmental across the globe.

Regarding the UNEP 2022-2023 Programme of Work, the project contributes to the strategic objective of Climate stability. In particular, will directly support UNEP in implementing the following outcomes 1.1- Policymaking and decision making for climate action are informed by the latest science-based analysis and data generation, 1.2: carbon neutrality and resilience are integrated into climate planning and policy and regulatory frameworks at all levels, 1.3: transparency and accountability of government and non-government climate action, including from the private sector and the financial community, are strengthened, 1.6 Private and public financial flows are aligned with the goals of the Paris Agreement.

Guided by the need to ensure greater climate ambition in line with the aspirations of the NDCs and long-term strategies and other strategic instruments, UNEP focuses on supporting countries in increasing their capacities to use climate change information in sustainable development planning and investment decisions. This includes building on the capacities sought and developed to translate data into sector-specific climate information for use by climate-sensitive sectors (e.g., industry, agriculture, disaster risk reduction, health), as well as facilitating greater involvement of national and sub-national authorities in climate data collecting and sharing and related decision-making to enhance synergies and harmonize efforts.

Accurate data and strong accounting and reporting structures at the country level are fundamental for structural shifts required to keep the 1.5°C goal of the Paris Agreement. UNEP has the ability, the expertise and the necessary networks and initiative to ensure that comprehensive national transparency frameworks generate direct and indirect benefits mitigation, adaptation, and means of implementation, including directing investment to sustainable infrastructure and accelerating sustainable transitions including renewable energy, energy efficiency, storage and transmission infrastructure, and zero-carbon transport and industry.

This project is strongly linked to SDG 13: Take urgent action to combat climate change and its impacts by improving climate transparency and enhanced reporting and assessment that will positively inform policy- and decision making. In addition, strengthening and formalizing links with SDG tracking activities and pool resources and standardize approaches and data flows is included within the project. The project will address the following specific targets and indicators:

- Target 13.2: Integrate climate change measures into national policies, strategies and planning. Indicator 13.2.1: Number of countries with nationally determined contributions, long-term strategies, national adaptation plans, strategies as reported in adaptation communications and national communications.
- Target 13.3: Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning. Indicator 13.3.2: Number of countries that have communicated the strengthening of institutional, systemic and individual capacity building to implement adaptation, mitigation and technology transfer, and development actions

Country alignment

This project is fully aligned with Palau's national priorities as outlined in its NDC and other key policy documents. In its NDC, Palau commits to reducing greenhouse gas emissions through enhanced energy efficiency, increased use of renewable energy, improved waste management practices and transport emission measures. The NDC update process will also look to emphasize the importance of adaptation measures to protect vulnerable ecosystems and communities, in line with the ongoing NAP support. The CBIT project supports these goals by strengthening institutional arrangements for the ETF, establishing comprehensive GHG inventory systems, and developing robust MRV systems for climate action and support.

Furthermore, Palau's NCCP highlights the need for coordinated action across government ministries and sectors to address climate change effectively. The CBIT project directly contributes to this by fostering improved coordination between government agencies, enhancing stakeholder engagement, and building capacity for transparent reporting on climate actions. This alignment ensures that the project not only addresses immediate transparency needs but also supports long-term climate governance and resilience.

The CBIT project also aligns with the Palau Energy Act and the Renewable Energy Roadmap 2022-2050, which mandates the Energy Administration to report information related to climate impacts in the energy sector and provides a strategy for transitioning the national energy system away from fossil fuels. By providing tools, training, and institutional support, the CBIT project will enhance Palau's ability to generate relevant data to support government departments to better track their progress, and meet its reporting obligations under the Paris Agreement. The project's emphasis on data management, stakeholder engagement, and capacity building will further support Palau's efforts to integrate climate action into its broader sustainable development agenda, contributing to the achievement of the Sustainable Development Goals (SDGs) in the country. In particular SDG 13, focused on climate change, in alignment with SDG target 13.2 (integrate climate change measures into national policies, strategies, and planning), target 13.b (Promote mechanisms for raising capacity for effective climate change-related planning and management in least developed countries and small island developing States, including focusing on women, youth and local and marginalized communities) and indicator 13.b.1 Number of least developed countries and small island developing States with nationally determined contributions, long-term strategies, national adaptation plans and adaptation communications, as reported to the secretariat of the United Nations Framework Convention on Climate Change. The information generated through the CBIT-supported work will be included in the relevant reports of progress in SDGs. During the consultations and analysis undertaken in preparing this

report, no country policies were identified that might contradict the project's objectives and outcomes, ensuring a cohesive and supportive policy environment for its implementation.

The CBIT project aligns with the UN's Sustainable Development goals for the Pacific as outlined in the United Nations' Sustainable Development Cooperation Framework (UNSDCF), particularly enhancing climate resilience and scaling up climate action to support the "Planet" pillar of UNSDCF. It aims to bolster Palau's climate resilience and its ability to track greenhouse gas emissions and monitor climate-related activities. This enhanced data collection will enable more informed decision-making, leading to stronger climate change mitigation and adaptation strategies. Additionally, the project will provide valuable climate data for the UN's Common Country Analyses, which guide national development planning in Palau.

UNEP will facilitate coordination with the UN Country Team and Resident Coordinator, ensuring they are informed of the project's progress and that it aligns with the country's UNSDCF, specifically through UNEP Sub-Regional Office for Pacific.

South-South Cooperation

Through the Capacity-building Initiative for Transparency – Global Support Programme (CBIT-GSP), UNEP provides a grid of ten regional networks aimed at providing proven expertise, lessons learned awareness raising, and recommended practices in the implementation of projects leading to effective coordination, collaboration, peer-to-peer exchange and common understanding of the most salient issues leading to compliance of the Enhanced Transparency Network.

This forum serves as a community of practices that links key issues with key stakeholders, thus providing the necessary elements of the transparency ecosystem together. It provides a global overview of transparency initiatives and developing countries' transparency efforts, allowing users to stay up to date on the latest developments, events, and knowledge products, as well as get detailed information on any developing country, support provider, and transparency projects.

The platform allows for vivid exchange within the climate transparency community, both through a Global Forum as well as ten Network Forums for peer-to-peer exchange and learning among countries. The CBIT-GSP offers various other elements of support to countries, such as the quality review of the country's transparency reports, the provision of a dedicated gender toolkit (forthcoming), global meetings, webinars, and knowledge products.

The project includes an activity under Component 1 focused on peer-to-peer exchange with other Pacific Island Countries (PICs). Given the ongoing and upcoming CBIT projects in the region, this project will promote knowledge exchange through existing platforms and regional peer-to-peer events. Additionally, it will collaborate closely with the Pacific NDC Hub, managed by the Pacific Community (SPC) in partnership with organizations like GGGI and GIZ, to strengthen regional learning and coordination.

D. POLICY REQUIREMENTS

Gender Equality and Women's Empowerment:

We confirm that gender dimensions relevant to the project have been addressed during Project Preparation as per GEF Policy and are clearly articulated in the Project Description (Section B).

Yes

1) Does the project expect to include any gender-responsive-measures to address gender gaps or promote gender equality and women's empowerment?

Yes

If the project expects to include any gender-responsive measures to address gender gaps or promote gender equality and women empowerment, please indicate in which results area(s) the project is expected to contribute to gender equality:

Closing gender gaps in access to and control over natural resources;

No

Improving women's participation and decision-making; and/or

Yes

Generating socio-economic benefits or services for women.

Yes

2) Does the project's results framework or logical framework include gender-sensitive indicators?

Yes

Stakeholder Engagement

We confirm that key stakeholders were consulted during Project Preparation as required per GEF policy, their relevant roles to project outcomes has been clearly articulated in the Project Description (Section B) and that a Stakeholder Engagement Plan has been developed before CEO endorsement.

Yes

Select what role civil society will play in the project:

Consulted only; Yes

Member of Advisory Body; Contractor;

Co-financier;

Member of project steering committee or equivalent decision-making body;

Executor or co-executor;

Other (Please explain) Yes

Private Sector

Will there be private sector engagement in the project?

Yes

And if so, has its role been described and justified in the section B project description?

Yes

Environmental and Social Safeguard (ESS) Risks

We confirm that we have provided information regarding Environmental and Social risks associated with the proposed project or program, including risk screenings/ assessments and, if applicable, management plans or other measures to address identified risks and impacts (this information should be presented in Annex E).

Yes

Please provide overall Project/Program Risk Classification

Overall Project/Program Risk Classification

PIF	CEO Endorsement/Approval	MTR	TE
	Low		
	Low		

E. OTHER REQUIREMENTS

Knowledge management

We confirm that an approach to Knowledge Management and Learning has been clearly described during Project Preparation in the Project Description and that these activities have been budgeted.

Yes

Benefits

Describe the socioeconomic benefits to be delivered by the project at the national and local levels, as appropriate and these benefits translate in supporting the achievement of global environmental benefits (GEF Trust Fund) or adaptation benefits (LDCF, SCCF). This section identifies the direct beneficiaries from the project.

The CBIT project will support Palau to meet the requirements of the Enhanced Transparency Framework (ETF) formulated based on Article 13 of the Paris Agreement. In addition, CBIT support will aid in the implementation of Sustainable Development Goals (SDGs) in the country.

The CBIT project will contribute to the tracking of GHG emissions, mitigation and adaptation actions, and climate finance and support. The increased availability of data in these areas are expected to strengthen Palau's efforts to respond to the challenges of climate change (for both mitigation and adaptation).

Furthermore, the CBIT support will enable Palau to identify climate related needs and provide critical information for negotiations to highlight these needs, thereby building momentum for further action.

The primary socio-economic benefit of the CBIT project includes job creation and career development through institutionalized roles and responsibilities for the staff involved in transparency-related issues in the OCC and line

ministries. The specific technical training, such as those conducted under Components 2 and 3, will enable the professional development of stakeholders, improving employment benefits for trained staff.

The main secondary socio-economic benefits include improved coordination between government ministries, ensuring that climate change, economic, and development co-benefits are focused and prioritized.

The CBIT project will strengthen the framework for transparency that can lead to improved access to climate finance and better-targeted policies that benefit all sectors of society, including marginalized and disadvantaged groups. Vulnerable populations, such as low-income households and marginalized groups, are disproportionately affected by climate change, and while they may not be direct beneficiaries of this initiative, increased transparency in climate action can ultimately support more inclusive and equitable climate policies in Palau.

ANNEX A: FINANCING TABLES

GEF Financing Table

Trust Fund Resources Requested by Agency(ies), Country(ies), Focal Area and the Programming of Funds

GEF Agency	Trust Fund	Country/ Regional / Global	Focal Area	Programm ing of Funds	Grant / Non- Grant	GEF Project Grant(\$)	Agency Fee(\$)	Total GEF Financing (\$)
UNEP	GET	Palau	Climate Change	CBIT Set- Aside	Grant	1,336,247.0 0	126,943 .00	1,463,190.00
Total GEF Resources (\$)						1,336,247.0 0	126,943 .00	1,463,190.00

Project Preparation Grant (PPG)

Is Project Preparation Grant requested?

true

PPG Amount (\$)

40000

PPG Agency Fee (\$)

3800

GEF Agency	Trust Fund	Country/ Regional / Global	Focal Area	Programming of Funds	PPG(\$)	Agency Fee(\$)	Total PPG Funding(\$)
UNEP	GET	Palau	Climate Change	CBIT Set-Aside	40,000.00	3,800.00	43,800.00
Total PPG Amount (\$)					40,000.00	3,800.00	43,800.00

Please provide justification

Sources of Funds for Country Star Allocation

GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area	Sources of Funds	Total(\$)
Total GEF Resources (\$)					0.00

Focal Area Elements

Programming Directions	Trust Fund	GEF Project Financing(\$)	Co-financing(\$)
CCM-CBIT	GET	1,336,247.00	215,873.00
Total Project Cost (\$)		1,336,247.00	215,873.00

Confirmed Co-financing for the project, by name and type

Please include evidence for each co-financing source for this project in the tab of the portal

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Investment Mobilized	Amount(\$)
Recipient Country Government	OCC, Office of the President	In-kind	Recurrent expenditures	100,000.00
Others	Global Green Growth Institute	In-kind	Recurrent expenditures	115,873.00
Total Co-financing (\$)				215,873.00

Please describe the investment mobilized portion of the co-financing

n/a

ANNEX B: ENDORSEMENTS

GEF Agency(ies) Certification

GEF Agency Type	Date	Project Contact Person	Phone	Email
GEF Agency Coordinator		Ersin Esen		ersin.esen@un.org
Project Coordinator		Asher Lessels		asher.lessels@un.org

Record of Endorsement of GEF Operational Focal Point (s) on Behalf of the Government(s):

Name of GEF OFP	Position	Ministry	Date (Month, day, year)
Charlene Mersai	National Environment Coordinator	National Environmental Protection Council	3/27/2025

ANNEX C: PROJECT RESULTS FRAMEWORK

Please indicate the page number in the Project Document where the project results and M&E frameworks can be found. Please also paste below the Project Results Framework from the Agency document.

Project Objective	Objective level Indicators	Baseline	Targets and Monitoring Milestones	Means of Verification	Assumptions & Risks
To strengthen institutional and human capacity	Qualitative assessment of institutional capacity for transparency related activities (GEF Programming Directions) [1]3 file:///D:/Downloads/GEF8%20CEO%20Approval%20document_CBIT_Palau_for%20PRC%20PO_Revision%2007032025%20Clear.docx - _ftn1	1	End of project: 3	Qualitative assessment conducted by independent	(A): Continued commitment and support from Palau's

es to enable Palau to comply with the requirements of the transparency framework under the Paris Agreement on Climate Change.	People benefiting from GEF-financed investments disaggregated by sex (count)	0	70 (35 female , 35 male)	reviewer at the terminal review. Based on stakeholder interviews and reviews of project deliverables.	government and relevant ministries to implement and sustain the project initiatives. (A): Active participation and collaboration from all key stakeholders, including government agencies, private sector, and civil society organizations. (A): Adequate financial, human and technological resources are available throughout the project duration to support capacity-
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					building activities and other interventions. (R): Changes in political leadership or policy priorities that may reduce support for climate transparency initiatives. (R): Resistance or lack of engagement from key stakeholders, including government agencies and private sector partners. (R): Insufficient financial, human or technological resources
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					to carry out project activities effectively. (R): Natural disasters or extreme weather events that may disrupt project activities and progress.
Project Outcome	Outcome Indicators	Baseline	Targets and Monitoring Milestones	Means of Verification	Assumptions & Risks
1. Gender-responsive institutional arrangements for the Enhanced Transparency Framework (ETF) are established to enable regular	1.1: % of stakeholders (sex disaggregated) reporting improved capacity to coordinate and monitor NDC implementation and GHG Inventory. 1.2: Inter-ministerial coordination mechanism validated by national stakeholders.	1.1: 0 1.2: No	End of project: 1.1: At least 70% of stakeholders report improved capacity (25 female, 25 male)	End point measurement of outcome indicators Assessment conducted by independent reviewer at the terminal review,	(A): Continued government support and commitment to establishing and sustaining institutional arrangements. (R): Potential

transpar ent reportin g on NDC implem entation and National GHG Inventor y.			1.2: Yes	based on stakehol der intervie ws and/or survey. Validati on worksho p report	delays in the formal adoption process due to bureaucra tic or administr ative barriers.
2. GHG Inventor y system is develop ed to enable the coordin ating entity to efficient ly co- ordinate prepara tion of transpar ent, consiste nt, compar able, complet e, and accurat e National GHG	The quality of GHG inventory systems measured adopting the GEF Programming Directions [2]4	1	End of projec t: 4	End point measure ment of outcom e indicato rs Qualitati ve assessm ent conduct ed by independ ent reviewer at the terminal review. Based on stakehol der intervie ws and reviews	(A): Data providers and sector experts will provide support and resources to engage with GHG Inventory activities. (R): GHG Inventory activity data is severely limited.

inventor ies.				of project delivera bles.	
3. MRV framew ork is strength ened to enable Palau to effectiv ely monitor and report on climate actions and support.	The quality of MRV systems tracking results related to low-GHG development and GHG emissions mitigation (GEF Programming Directions) [3]5	1	End of projec t: 4	End point measure ment of outcom e indicato rs Qualitati ve assessm ent conduct ed by independ ent reviewe r at the terminal review. Based on stakehol der intervie ws and reviews of project delivera bles.	(A): Data providers and sector experts will provide support and resources to engage with climate action and support tracking activities. (R): Data on climate actions, policies and measures, finance and support needed and received is severely limited.

Project Outputs	Output Indicators	Baseline	Targets and Monitoring Milestones	Means of Verification	Assumptions & Risks
1.1. Gender-responsive institutional mechanisms for coordinating and monitoring NDC implementation and preparation of GHG Inventory designed, and formal process of adoption initiated.	1.1.1: # of stock-take/gap assessment and design option report on the institutional arrangements. 1.1.2: # of gender-responsive UNFCCC reporting institutional arrangement and process guideline document. 1.1.3: # data-sharing agreement for data providers for both GHG Inventory and NDC tracking developed. 1.1.4: # of gender-responsive consultations and validation workshops organized with stakeholders.	1.1.1: 0 1.1.2: 0 1.1.3: 0 1.1.4: 0	End of project: 1.1.1: 1 1.1.1: 1 1.1.3: 2 1.1.4: 5 (at least 50% of participants in the consultation and verification processes are women)	Stocktake/gap assessment and design option report developed Institutional arrangement and process guidelines document for UNFCCC reporting prepared (including disaggr	(A): Government stakeholders participate in consultation and provide input to documents prepared. (R): Limited engagement and participation of partners. (R): Delays in formalizing

				egated information on sex of the participants) Draft data-sharing agreements prepared Works hop reports (including disaggregated information on sex of the participants)	institutional arrangements due to administrative and bureaucratic delays and barriers.
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1.2. Gender-responsive capacity building initiatives focusing on GHG inventory, MRV and NDC tracking are formalized and strengthened.	1.2.1: # of long-term strategy for capacity development on ETF incl. action plan and financing strategy 1.2.2: # of gender integration guiding framework and gender monitoring plan. 1.2.3: # of training series on ETF/MRV in collaboration with existing partners and platforms.	1.2.1: 0 1.2.2: 0 1.2.3: 0	End of project: 1.2.1: 1 1.2.2: 2 1.2.3: 2 (at least 50% of participants are women)	Long-term gender-responsive strategy for capacity development document Gender integration guiding framework document Gender monitoring plan document	(A): Government stakeholders participate in consultation and provide input to documents prepared. (A): All key stakeholders participate in training sessions. (R): Delays in formalizing the framework and strategy documents due to adminis
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				Trainin g worksh op Report s (includ ing disaggr egated inform ation on sex of the partici pants)	trative and bureauc ratic delays and barriers.
1.3. National stakehol ders' awaren ess on regional best practice s on ETF increase d through regional peer-to- peer exchang e and knowled ge- sharing activitie s.	1.3.1: # of regional peer exchange workshop organized. 1.3.2: # of training and knowledge sharing activities attended. 1.3.3: # of report on international best practices and lessons for climate transparency prepared.	1.3. 1: 0 1.3. 2: 0 1.3 .3: 0	End of projec t: 1.3.1: 1 1.3.2: 3 (at least 50% of partici pants in the trainin gs are wome n) 1.3.3: 1	Works hop report s (includ ing disaggr egated inform ation on sex of the partici pants) Trainin g worksh op report s (includ	(A): All key stakehol ders particip ate in peer-to- peer exchang e worksho ps. (R): Limited engage ment or availabil ity of regional partners .

				ing disaggr egated inform ation on sex of the partici pants)	
				Report on interna tional best practic es	
2.1. Staff of relevant agencie s have access to method ologies, tools, and capaciti es for GHG data collectio n and reportin g.	2.1.1: # of scoping paper on GHGs, sectors and availability of data for preparing GHG inventory. 2.1.2: # of data collection templates and protocol for GHG data collection developed. 2.1.3: # of GHG estimations/calculation spreadsheets and guidance on using the spreadsheets. 2.1.4: # of gender-responsive GHG inventory trainings conducted.	2.1 .1: 0 2.1 .2: 0 2.1 .3: 0 2.1 .4: 0	End of projec t: 2.1.1: 1 2.1.2: 4 2.1.3: 1 2.1.4: 2 (at least 50% of	A scopin g paper Data collecti on templa tes and protoc ols GHG estima tion	(A): Relevan t stakehol ders actively particip ate in the develop ment of data collectio n templat es and protocol s, and GHG estimati on

			partici pants in the trainin gs are wome n)	spread sheets Trainin g worksh op report s (includ ing disaggr egated inform ation on sex of the partici pants)	spreads heet (A): All key stakehol ders particip ate in training worksho ps. (R): Relevan t stakehol ders are not accurat ely identifie d for particip ation in worksho ps and to test GHG inventor y tools and templat es. (R): Risk of staff
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					turnove r.
2.2. Staff of relevant agencie s have access to method ologies and capaciti es to conduct QA/QC for GHG Inventor y system.	2.2.1: # of QA/QC procedures for GHG inventory. 2.2.2: # of guidance and training materials on the application of QA/QC procedures. 2.2.3: # of gender-responsive training programs on QA/QC focused on GHG inventory. 2.2.4: # of training workshops on QA/QC	2.2 .1: 0 2.2 .2: 0 2.2 .3: 0 2.2 .4: 0	End of projec t: 2.2.1: 4 2.2.2: 1 2.2.3: 2 (at least 50% of partici pants in the trainin gs are wome n) 2.2.4: 2 (at least 50% of partici pants in the trainin gs are wome n)	QA/QC plan develo ped Guidan ce and trainin g materi als develo ped Trainin g worksh op report s (includ ing disaggr egated inform ation on sex of the partici pants)	(A): All relevant stakehol ders actively support and particip ate in the develop ment of QA/QC plan and guidelin es. (A): All relevant staff particip ate in QA/QC training worksho ps. (R): High turnove r of trained QA/QC staff.

2.3. National ministries and stakeholders have access to an integrated IT- based national GHG emissions inventory system.	2.3.1: GHG database management system (GHG DBMS) is designed.	2.3.1: Y	A design report	(A): Adequate technical expertise and financial resources are available to develop the system
	2.3.2: GHG DBMS developed and piloted (Yes/No).	2.3.2: Y	GHG DBMS developed	(A): Stakeholders willing to try and accept the newly developed tools.
	2.3.3: # of GHG DBMS guidelines development.	2.3.3.: 1		(A): System is user- friendly and accessible.
	2.3.4: # of IT-based GHG DBMS training.	2.3.4: 1 (at least 50% of participants in the trainings are women)	GHGB DBMS guidelines document	
	2.3.5: GHG DBMS is developed and operationalized (Yes/No).	2.3.5: Y	Trainings workshop reports (including disaggregated information on sex of the participants)	
	2.3.6: A financing strategy for long-term operation of the GHG DBMS (Y/N)	2.3.6: Y		

					A financi ng strateg y (R): Technic al challeng es in system implem entation . (R): Limited underst anding of national context and system require ments hamper full utilizati on of the tools develop ed. (R): Relucta nce to adoptin g new
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					monitoring systems
3.1. An IT-based system for tracking NDC action progress is developed.	3.1.1: A scoping paper on IT-based NDC tracking system 3.1.2: A design report to outline an IT-based NDC implementation tracking system. 3.1.3: IT-based NDC tracking tool is developed and operational (Yes/No). 3.1.4: # of user manual for IT-based NDC implementation tracking systems. 3.1.5: # of training workshops on IT-based NDC tracking system developed. 3.1.6: Financing strategy document for long term operation of the system (Yes/No).	3.1.1: 0 3.1.2: 0 3.1.3: N 3.1.4: 0 3.1.5: 0 3.1.6: N	End of project: 3.1.1: 1 3.1.2: 1 3.1.3: Y 3.1.4: 1 3.1.5: 1 (at least 50% of participants in the trainings are women) 3.1.6: Y	A design report IT-based NDC tracking tool developed User manuals Training workshop reports (including disaggregated information on sex of the	(A): Adequate technical expertise and financial resources are available to develop the system (A): Stakeholders willing to try and accept the newly developed tools. (A): System is user-

				partici pants)	friendly and accessib le.
				Financi ng strateg y docum ent	(R): Technic al challeng es in system implem entation . (R): Relucta nce to adoptin g new monitor ing systems .
3.2. Data collectio n tools and templat es are develop ed for tracking progres s of NDC actions implem	3.2.1: # of scoping paper on NDC tracking data availability and review of existing methodologies. 3.2.2: Data collection template and protocol for NDC implementation, including QA/QC developed (Yes/No). 3.2.3: # of guidance manual for data collection, calculation and compilation of data 3.2.4: # of training workshops	3.2 .1: 0 3.2 .2: N	End of projec t: 3.2.1: 1 3.2.2: Y	A scopin g paper Data collecti on templa te and protoc	(A): Relevan t line ministri es actively particip ate and support in the develop ment of

entation		3.2 .3: 0	3.2.3: 1	ol develo ped	data collectio n templat e and protocol
		3.2 .4: 0	3.2.4: 2 (at least 50% of partici pants in the trainin gs are wome n)	Guidan ce manua l Trainin g worksh op report s (includ ing disaggr egated inform ation on sex of the partici pants)	(A): All relevant stakehol ders attend training worksho ps. (R): Insuffici ent data to test the tools and templat es, and to train stakehol ders. (R): Risk of staff turnove r

3.3. National ministries and agencies have access to tools and capacity to collect data and report on climate support and support received and required .	3.3.1: # of scoping paper on data availability, data providers and existing methodologies 3.3.2: Data collection template and protocol on climate finance and support received and required developed (Yes/No) 3.3.3: # of training workshops	3.3.1: 0 3.3.2: N 3.3.3: 0	End of project: 3.3.1: 1 3.3.2: Y 3.3.3: 1 (at least 50% of participants in the trainings are women)	A scoping paper Data collection template and protocol developed Training workshop reports (including disaggregated information on sex of the participants)	(A): Relevant line ministries actively participate and support in the development of data collection template and protocol . (A): All relevant stakeholders attend training workshops. (R): Limited technical capacity and engagement
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					from line ministri es for data collectio n process and updates of tools. (R): Risk of staff turnove r.
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[1] According to Annex IV of GEF/C.50/06, Programming Directions for the Capacity-building Initiative for Transparency (2016), available in: https://www.thegef.org/sites/default/files/council-meeting-documents/EN_GEF.C.50.06_CBIT_Programming_Directions_0_0.pdf, the assessment of "Indicator for Qualitative Assessment of Institutional Capacity for Transparency-Related Activities" is done in scale of 1 to 4. According to that, scala rating of 1 implies "No designated transparency institution to support and coordinate the planning and implementation of transparency activities under Article 13 of the Paris Agreement exists." and scale rating of 3 implies 'Designated transparency institution has an organizational unit with standing staff with some capacity to coordinate and implement transparency activities under Article 13 of the Paris Agreement. Institution has authority or mandate to coordinate transparency activities under Article 13. Activities are not integrated into national planning or budgeting activities.'

[2] According to ANNEX III. GEF-6 Climate Change Mitigation Focal Area Indicator on MRV of GEF/C.50/06, Programming Directions for the Capacity-building Initiative for Transparency (2016), available in: https://www.thegef.org/sites/default/files/council-meeting-documents/EN_GEF.C.50.06_CBIT_Programming_Directions_0_0.pdf, 'Indicator 3: The quality of MRV systems tracking results related to low-GHG development and GHG emissions mitigation is essential for ensuring transparency, accuracy and comparability of information with regard to climate change. They also act as repositories of knowledge and information and contribute to improving the design and prioritization of action to reduce GHG.' is rated in the scale of 1 - 10. The guidance for the ratings provides direction for benchmarking the quality of the GHG inventory system. Scale of 1 means "Very little measurement is done, reporting is partial and irregular and verification is not there" and Scale of 4 means 'Measurement systems are strong in a limited set of activities however, analyses still needs improvement; periodic monitoring and reporting although not yet cost/time efficient; verification is only upon specific request and limited.'

[3] According to ANNEX III. GEF-6 Climate Change Mitigation Focal Area Indicator on MRV of GEF/C.50/06, Programming Directions for the Capacity-building Initiative for Transparency (2016), available in: https://www.thegef.org/sites/default/files/council-meeting-documents/EN_GEF.C.50.06_CBIT_Programming_Directions_0_0.pdf, 'Indicator 3: The quality of MRV systems tracking results related to low-GHG development and GHG emissions mitigation is essential for ensuring transparency, accuracy and comparability of information with regard to climate change. They also act as repositories of knowledge and information and contribute to improving the design and prioritization of action to reduce GHG.' is rated in the scale of 1 - 10. Scale of 1 means "Very little measurement is done, reporting is partial and irregular and verification is not there" and Scale of 4 means 'Measurement systems are strong in a limited set of activities however, analyses still needs improvement; periodic monitoring and reporting although not yet cost/time efficient; verification is only upon specific request and limited.'

ANNEX D: STATUS OF UTILIZATION OF PROJECT PREPARATION GRANT (PPG)

Provide detailed funding amount of the PPG activities financing status in the table below:

Project Preparation Activities Implemented	GETF/LDCF/SCCF Amount (\$)		
	Budgeted Amount	Amount Spent To date	Amount Committed
Expert cost (technical, gender and environment & safeguards) to lead preparatory work and review including compilation of baseline / situational analysis to formulate the CEO Endorsement request, Pro Doc and mandatory specific annexes including leading validation workshop to discuss the project design	31,873.00	32,536.00	1,540.00
Travel for consultation and discussion with stakeholders for the project formulation and validation	6,000.00	4,034.00	
Workshop and meetings cost (including validation cost)	2,127.00	1,890.00	
Total	40,000.00	38,460.00	1,540.00

ANNEX E: PROJECT MAP AND COORDINATES

Please provide geo-referenced information and map where the project interventions will take place

Location Name	Latitude	Longitude	GeoName ID
Koror, Palau	7.3422	134.4772	4,037,893

Location Description:

Activity Description:

Location Name	Latitude	Longitude	GeoName ID
Palau	7.4864	134.4792	1,559,582

Location Description:

Activity Description:

Please provide any further geo-referenced information and map where project interventions are taking place as appropriate.

This is a national project without a specific implementation location. Most activities will take place in Koror, Palau, where relevant ministries and stakeholders are located. Workshops and meetings may also be conducted on other islands as needed and requested by stakeholders.



ANNEX F: ENVIRONMENTAL AND SOCIAL SAFEGUARDS SCREEN AND RATING

Attach agency safeguard screening/assessment report(s), including ratings of risk types and overall project/program risk classification as well as any management plans or measures to address identified risks and impacts.

Title

CBIT Palau_Annex F Environmental and Social Safeguards Screen and Rating

ANNEX G: BUDGET TABLE

Please explain any aspects of the budget as needed here

ANNEX G: BUDGET TABLE

GEF Template

Expenditure Category	Detailed Description	Component (USDeq.)						Total (USDeq.)	Responsible Entity
		Component 1	Component 2	Component 3	Sub-Total	M&E	PMC		
		Outcome 1	Outcome 2	Outcome 3					
Goods	Publication	10,000	10,000	-	20,000			20,000	GGGI
Contractual Services – Company	IT firm - development of IT-based GHG Database Management System and NDC tracking tool	-	130,000	60,000	190,000			190,000	GGGI
International Consultants	MRV/GHG Inventory Specialist	35,000	82,500	45,000	162,500			162,500	GGGI
	UNEP Terminal Evaluation	-	-	-	-	30,000		30,000	UNEP
	IT Specialist	-	36,000	28,000	64,000			64,000	GGGI
	International GHG Inventory Expert	-	25,092	-	25,092			25,092	GGGI
	QA/QC Specialist	-	17,500	-	17,500			17,500	GGGI
Salary and benefits / Staff costs	Chief Technical Expert ⁶	101,235	-	-	101,235			101,235	GGGI
	National Technical Coordinator ⁷	47,288	80,099	74,371	201,758			201,758	GGGI
	International MRV Expert	30,453	61,898	60,215	152,566			152,566	GGGI
	Communications and Knowledge Management Expert	5,879	-	-	5,879			5,879	GGGI
	GESI Expert	11,258	-	-	11,258	5,759		17,017	GGGI
	MEL (Monitoring, Evaluation and Learning) Expert	-	-	-	-	16,343		16,343	GGGI
	Project Manager	-	-	-	-		10,009	10,009	GGGI
	Project Compliance Officer	-	-	-	-		17,855	17,855	GGGI
	Project Associate (Admin & Finance)	-	-	-	-		62,947	62,947	GGGI
Trainings, Workshops, Meetings	Workshops, Trainings, Meetings under Component 1	25,200	-	-	25,200			25,200	GGGI
	Workshops, Trainings, Meetings	-	14,400	-	14,400			14,400	GGGI

⁶ Part-time project staff. The CTE is a regional-based staff, a shared resource across other CBIT projects in the region implemented by UNEP, who will provide oversight of quality assurance of technical deliverables and engage directly with the donor and project partners at a higher level. CTE is accountable for the work delivered by NTC.

⁷ Full-time project staff based in Palau.

	under Component 2								
	Workshops, Trainings, Meetings under Component 3	-	-	8,300	8,300			8,300	GGGI
	Workshops, Trainings, Meetings under PMC and M&E					5,389		5,389	GGGI
Travel	Travel cost for missions to Palau under Component 1	88,000	-	-	88,000			88,000	GGGI
	Travel cost for missions to Palau under Component 2	-	49,000	-	49,000			49,000	GGGI
	Travel cost for missions to Palau under Component 3	-	-	20,757	20,757			20,757	GGGI
	Travel cost for missions to Palau under PMC and M&E						19,500	19,500	GGGI
Office Supplies	Laptops and IT accessories for project staff	-	-	-	-		6,000	6,000	GGGI
Other Operating Costs	Contingencies (FX loss, bank fees)	-	-	-	-		5,000	5,000	GGGI
Grand Total		354,313	506,490	296,643	1,157,446	57,490	121,311	1,336,247	

UNEP Template

Component	Description	Executing Agency	Year 1	Year 2	Year 3	Year 4	Total	UMOJA description
Component 1	National Technical Coordinator	GGGI	18,519	18,166	10,603	-	47,288	Staff & Personnel (including Consultant)
	Chief Technical Expert	GGGI	36,336	31,975	32,924	-	101,235	Staff & Personnel (including Consultant)
	International MRV Expert	GGGI	10,926	14,375	5,152	-	30,453	Staff & Personnel (including Consultant)
	MRV/GHG Inventory Specialist	Ext	20,000	15,000	-	-	35,000	Staff & Personnel (including Consultant)
	GESI Expert	GGGI	8,231	3,028	-	-	11,258	Staff & Personnel (including Consultant)
	Communications and Knowledge Management Expert	GGGI	5,879				5,879	Staff & Personnel (including Consultant)
	Workshops/Trainings/Meetings		1,500	19,700	4,000	-	25,200	Contractual Services
	Travel		15,000	44,000	29,000	-	88,000	Travel
	Publication		-	-	10,000	-	10,000	Supplies, Commodities and Materials
	Component 1 Total		116,390	146,244	91,679	-	354,313	
Component 2	National Technical Coordinator	GGGI	18,262	28,158	33,680	-	80,099	Staff & Personnel (including Consultant)
	International MRV Expert	GGGI	15,780	29,374	16,744	-	61,898	Staff & Personnel (including Consultant)
	MRV Specialist	Ext	35,000	40,000	7,500	-	82,500	Staff & Personnel (including Consultant)
	International GHG Inventory Expert	GGGI	6,066	9,372	9,654	-	25,092	Staff & Personnel (including Consultant)
	IT Specialist	Ext	16,000	10,000	10,000	-	36,000	Staff & Personnel (including Consultant)
	QA/QC Specialist	Ext	2,500	12,500	2,500	-	17,500	Staff & Personnel (including Consultant)
	IT Firm	Ext	40,000	90,000	-	-	130,000	Contractual Services
	Workshops/Trainings/Meetings		4,400	4,000	6,000	-	14,400	Contractual Services
	Travel		14,000	14,000	21,000	-	49,000	Travel

	Publication		-	5,000	5,000	-	10,000	Supplies, Commodities and Materials
	Component 2 Total		152,008	242,404	112,077	-	506,490	
Component 3	National Technical Coordinator	GGGI	26,028	20,588	27,755	-	74,371	Staff & Personnel (including Consultant)
	International MRV Expert	GGGI	15,175	22,500	22,540	-	60,215	Staff & Personnel (including Consultant)
	MRV Specialist	Ext	25,000	12,500	7,500	-	45,000	Staff & Personnel (including Consultant)
	IT Specialist	Ext	8,000	8,000	12,000	-	28,000	Staff & Personnel (including Consultant)
	IT Firm	Ext	-	40,000	20,000	-	60,000	Contractual Services
	Workshops/Trainings/Meetings		300	2000	6,000	-	8,300	Contractual Services
	Travel		-	-	20,757	-	20,757	Travel
	Component 3 Total		74,503	105,588	116,552	-	296,643	
Components Total			342,901	494,236	320,308		1,157,446	
M&E	MEL Expert	GGGI	6,703	3,119	3,212	3,309	16,343	Staff & Personnel (including Consultant)
	GESI Expert	GGGI	2,309	908	936	1,606	5,759	Staff & Personnel (including Consultant)
	UNEP Terminal Evaluation	Ext				30,000	30,000	Staff & Personnel (including Consultant)
	Workshops/Trainings/Meetings		2,388	1,000	1,000	1,000	5,388	Contractual services
	Total M&E		11,400	5,027	5,148	35,915	57,490	
Components & M&E Total			343,087	503,234	332,700	35,915	1,214,936	
PMC	Project Manager	GGGI	5,189	1,559	1,606	1,654	10,008	Staff & Personnel (including Consultant)
	Project Compliance Officer	GGGI	7,460	3,899	4,015	2,482	17,856	Staff & Personnel (including Consultant)
	Project Associate (Admin & Finance)	GGGI	23,159	14,641	15,080	10,067	62,947	Staff & Personnel (including Consultant)
	Travel		6,500	6,500	6,500		19,500	Travel
	IT Equipment		6,000				6,000	Equipment
	Contingencies (bank fees, FX loss)		2,500	1,500	1,000		5,000	Other Contracts
Total PMC			50,808	28,099	28,201	14,203	121,311	
Total GEF Funds			405,109	527,362	353,658	50,118	1,336,247	

